# Sustainability Goals and Metrics

LEVI STRAUSS & CO.

For the Fiscal Year Ended November 26, 2023

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## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Sustainability Goals & Metrics Report ("Sustainability Report") and related website content contain forward-looking statements, including statements related to our sustainability strategies, initiatives and targets. We based these forward-looking statements on our current assumptions, expectations and projections. These forward-looking statements are estimates and involve a number of risks and uncertainties that could cause actual results to differ materially. Additional risks, uncertainties, and information regarding our governance can be found in our Annual Report Form 10-K and our Proxy Statements filed with the SEC. Other unknown or unpredictable factors also could have material effects on our future results, performance or achievements. All information in this Sustainability Report and related website is as of the date originally presented and we disclaim any obligation to update this information.

As used herein, Levi Strauss, LS&Co., Levi, Levi's, the company, the Company, we, us, our and similar terms include Levi Strauss & Co. and its subsidiaries, unless the context indicates otherwise.

#### PART I

## **Description of Business**

From our California Gold Rush beginnings, Levi Strauss & Co. has grown into one of the world's largest brand-name apparel companies. A history of responsible business practices, rooted in our core values, has helped us build our brands and engender consumer trust around the world. Under our Levi's®, Dockers®, Levi Strauss Signature<sup>TM</sup>, Denizen®, and Beyond Yoga® 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, activewear, 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.

To advance our progress on environmental, social, and governance ("ESG") initiatives, and ensure we meet stakeholder expectations for ESG commitments and performance, we hold ourselves accountable to a holistic sustainability strategy. The intent of our sustainability strategy is to be a leader in transparency and impact, to accelerate the circular economy ecosystem, and to increase collaboration in the apparel industry by inspiring employees, communities, and value chain partners to join our journey toward an inclusive and regenerative industry in which all people are treated with dignity and respect.

Our holistic sustainability strategy, which includes 16 goals, demonstrates our commitment to both a comprehensive definition of sustainability and to progress across our key sustainability pillars of climate, consumption, and community. Our strategy provides a framework for us to continue embedding our sustainability ambitions within our broader business operations to create greater resilience and address the most pressing challenges of our time.

# **Progress Toward Our Goals**

We introduced our updated slate of people- and planet-first goals in our fiscal year 2021 Sustainability Report, which was published in September 2022. The goals include targets tied to various areas across our sustainability strategy and collectively reflect our guiding philosophy of profits through principles. Since then, we continue to report annually on the status of all 16 goals. Among our goals, there is variation in their level of maturity. Our greenhouse gas (GHG) reduction goals are the most established, with reporting over several years and approval from the Science Based Target initiative (SBTi). Some of our other goals were established more recently, and we are continually striving to drive progress and enhance our reporting capabilities. For some of our newer goals we are still in the process of establishing the comprehensive baselines, key performance indicators, and data systems necessary to report on our progress and impact. Where we are still working on quantitative data to report,

we continue to measure our progress and impact using qualitative measures. We remain committed to providing the best available data where applicable, while improving the reliance on our data, estimates, and methodologies.

## Our Sustainability Goals for 2025 and Beyond

16 people- and planet-first goals that illustrate our commitment to bettering the world we all share.

Please refer to the respective goal sections below for additional footnotes and details regarding the scope and other pertinent information related to the goals outlined herein.

#### Climate

- Net-zero emissions of greenhouse gases by no later than 2050
- 42% absolute reduction in supply chain greenhouse gas (GHG) emissions from purchased goods and services by 2030
- 90% absolute reduction in GHG emissions and 100% renewable electricity in all companyoperated facilities by 2025
- Reduce freshwater use in manufacturing by 50% in areas of high-water stress by 2025
- Prevent and reduce our impact on biodiversity within our supply chain; support ecosystem
  protection and restoration programs beyond our supply shed

## Consumption

- By 2026, develop a comprehensive plan to make the company circular ready
- Key markets to introduce or increase resale and upcycling initiatives to extend the life of our products by 2025
- Zero waste to landfill from company-operated facilities and 50% waste diversion across strategic suppliers by 2030
- Eliminate single-use plastics in consumer-facing packaging by shifting to 100% reusable, recyclable or home compostable plastics by 2030
- Strategic garment wet finishing manufacturing and fabric mills use 100% certified Screened Chemistry by 2026
- Use only third-party preferred or certified more sustainable primary materials by 2030

#### **Community**

- Continually improve apparel worker health, satisfaction, and engagement
- Ensure competitiveness and equity in total rewards
- Ensure that LS&Co. remains a dynamic and inclusive career destination
- Leverage the leadership of the Levi Strauss Foundation and invest in our communities to advance pioneering social change
- Drive societal impact in communities where LS&Co. operates through advocacy, grantmaking employee giving and volunteerism

#### **PART II**

## MANAGEMENT'S DISCUSSION OF SELECTED ENVIRONMENTAL AND SOCIAL METRICS

# Purpose of this document

The purpose of this document is to report on and provide transparency into our goals, select ESG metrics, and a brief commentary around the underlying data, calculations, and methodologies for each. This document should be read in conjunction with existing disclosures around our ESG programs, which can be found on our website, our <a href="Climate Transition Action Plan">Climate Transition Action Plan</a>, and other voluntary reporting. This document and the related website content is unaudited and has not undergone third party assurance, is not incorporated by reference and does not constitute a part of our SEC filings.

## Climate

In fiscal year 2023, our long-term net-zero emissions target for 2050 was validated by the SBTi and we updated our near-term scope 3 goal in accordance with version 1.2 of the SBTi Corporate Net-Zero Standard, which requires companies to use the same base year for near-term and long-term scope 3 targets. As a result, our 1.5°C-aligned near-term target has been revised to a 42% absolute reduction in supply chain (scope 3) greenhouse gas emissions by 2030, over a 2022 base year. Previously, the target was set as a 40% absolute reduction in supply chain greenhouse gas (GHG) emissions by 2025, over a 2016 base year.

In calculating our emissions data, our scope 2 impact is quantified using both location- and market-based methods and includes CO2e deduction from purchased renewable energy certificates (REC/EAC/GO). Location-based method of allocation considers the GHG emissions based on the average energy generation emission factors of the regional grid, whereas market-based allocation accounts for emissions based on the specific energy sources that a company contracts for, such as RECs. The tracking of our science-based target (SBT) progress through the procurement of renewable energy and other forms of low-carbon power is calculated using the market-based method as it provides an opportunity to account for individual corporate procurement actions. Our total scope 3 GHG emissions inventory includes all applicable scope 3 categories, which are detailed in the "Other Metrics" section. LS&Co. uses a control approach, meaning that the inventory accounts for all (100 percent) impacts from operations for which the company has direct control. More specifically, the inventory and baseline were developed using an operational control boundary, meaning that the company agrees to take ownership over all (100 percent) impacts associated with operations across scopes 1,2 & 3 for which the company and its subsidiaries has direct operational control. For fiscal year 2023, LS&Co. has completed a third-party verification for fuel-and-energy related activities across scope 1, scope 2, and scope 3 category 3.

In fiscal year 2023, our progress towards our selected Climate goals were as follows:

## Goal: Net-zero emissions of greenhouse gases by no later than 2050

Levi Strauss & Co. commits to reach net-zero greenhouse gas emissions across the value chain by 2050. To achieve our Net-Zero science-based target (SBT), LS&Co. will cut 90% of our absolute scopes 1, 2 and 3 GHG emissions by 2050 from a 2022 base year. Upon achievement of 90% absolute reduction, LS&Co. will neutralize any residual emissions in line with SBTi criteria. Progress against our long-term net-zero goal is dependent on the progress of our near-term scope 1, scope 2 and scope 3 goals, as further detailed below. The progress of these near-term goals are provided in their respective sections.

Our net-zero goal includes scope 1, scope 2, and categories 1, 4, 5, 6, 9, and 12 of scope 3 (refer to "Other Metrics" section below for further details), collectively representing over 90% of our total in boundary 2022 baseline emissions. To date, our net zero target emissions total 2,462 thousand tCO2e. For 2023 our market-based emissions breakdown towards our net-zero is as follows:

|                   | 2023         |            |  |
|-------------------|--------------|------------|--|
|                   | tCO2e        | % of total |  |
|                   | in thousands |            |  |
| Scope 1 Emissions | 10           | 0.4 %      |  |
| Scope 2 Emissions | 2            | 0.1 %      |  |
| Scope 3 Emissions | 2,450        | 99.5 %     |  |
| Total Emissions   | 2,462        | 100.0 %    |  |

# Goal: 42% absolute reduction in supply chain greenhouse gas (GHG) emissions from purchased goods and services by 2030

Our supply chain GHG emissions goal is measured against a 2022 base year. The goal pertains specifically to our scope 3, Category 1 (Purchased Goods and Services) apparel production emissions related to tops and bottoms as it represents the majority or 72% of LS&Co.'s total scope 3 emissions. Scope 3 Category 1 emissions from indirect spend, footwear and accessories production are excluded from our near-term and long-term scope 3 target boundaries.

We reduced supply chain GHG emissions by 8% from the base year..

|   |              | Year Ended |                |
|---|--------------|------------|----------------|
|   | 2022<br>Base | 2023       | 2030<br>Target |
| Metric Tons CO <sub>2</sub> e                   | 1,944,947    | 1,785,400  | 1,128,069      |
| Cumulative % Increase (Decrease) From Base Year |              | (8)%       |                |

<sup>(1)</sup> In 2023, we set a 1.5°C-aligned Net-Zero SBT and updated our near-term scope 3 SBT to reflect significant changes in accounting methodology and in LS&Co.'s business operations since 2016—the base year of our inaugural scope 3 SBT. In addition to updating our base year, we updated our agricultural emissions accounting methodology to align with Greenhouse Gas Protocol's (GHGP) forthcoming Land Sector and Removals Guidance. As a result, our 2022 base year total scope 3 emissions included within our near-term scope 3 SBT boundary has been restated from 2,108,469 metric Tons CO2e reported in our 2022 Sustainability Report to 1,944,947 metric Tons CO2e.

# Goal: 90% absolute reduction in GHG emissions and 100% renewable electricity in all company-operated facilities by 2025

Levi Strauss & Co. commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2025. Our owned and operated GHG emissions goal is measured against a 2016 base year, and covers company operated facilities which includes LS&Co. leased locations globally - manufacturing, distribution, offices, and mainline and outlet retail stores. The goal pertains to our scope 1 and 2 direct and indirect emissions and is consistent with limiting temperature rise of 1.5°C compared to pre-industrial levels. Energy data is collected from monthly utility bills, and therefore, does not align with LS&Co. fiscal year dates. As such, we have used month-end data to most closely align with our fiscal year. Emissions and energy data is from December 1, 2022 through November 30, 2023.

We reduced GHG emissions associated with all company-operated facilities by 77% from the base year.

|   |              | Yes    | ar Ended | 1      |                |
|---|--------------|--------|----------|--------|----------------|
|   | 2016<br>Base | 2021   | 2022     | 2023   | 2025<br>Target |
| Metric Tons CO <sub>2</sub> e                   | 49,947       | 16,956 | 14,674   | 11,685 | 4,995          |
| Cumulative % Increase (Decrease) From Base Year |              | (66)%  | (71)%    | (77)%  |                |

Levi Strauss & Co. commits to use 100% renewable electricity in all company owned and operated facilities by 2025. Our goal refers to "renewable electricity" rather than "renewable energy". While it has become common to use interchangeably, they are different. Electricity refers to purchased-from-the-grid electricity, as opposed to other forms of energy, such as natural gas, diesel and other fuels.

Our renewable electricity sources include energy from LS&Co.'s on-site projects, RECs (renewable energy certificates) and EACs (energy attribute certificates) from LS&Co. locations, and electricity that we receive from renewable energy generation serving the electric grids where select LS&Co. offices, factories or retail stores are located. Electricity data is collected from monthly utility bills, and therefore, does not align with LS&Co. fiscal year dates. As such, we have used month-end data to most closely align with our fiscal year. Emissions and energy data is from December 1, 2022 through November 30, 2023.

Our renewable electricity consumption in company-operated facilities was 108,384 megawatt hours (MWh), or 97% of the total electricity used in those facilities.

|  | Y    | ear Ended | [    |                |
|--|------|-----------|------|----------------|
|  | 2021 | 2022      | 2023 | 2025<br>Target |
| Percent renewable electricity in company-<br>operated facilities | 85%  | 90%       | 97 % | 100%           |

## Goal: Reduce freshwater use in manufacturing by 50% in areas of high-water stress by 2025

Our water goal is measured against a 2018 base year. The goal pertains only to our wet finishing key supplier manufacturing facilities and fabric mills in areas of high-water stress. Key suppliers refer to suppliers covering more than 80% of our global product units. Wet finishing is defined as any processing stage where textile is treated with colorants, chemicals, and water. High-water stressed geographies are defined by the World Resource Institute (WRI) aqueduct water risk atlas tool. Current year progress against the 2018 baseline is calculated using the usage of wet finishing key suppliers with reported freshwater usage in areas of high-water stress for the current year, compared to the respective supplier's 2018 water usage. As a result, the 2018 baseline in liters varies annually, reflecting the water usage of the applicable suppliers and areas of high-water stress.

Water data is provided by suppliers, through a third-party system, and is based on the calendar year. Therefore, water data does not align with LS&Co. fiscal year dates. In prior years, we reported water-use a year in arrears due to timing and other factors used to estimate usage data from our suppliers. This year, we have accelerated our timeline, and can present both 2022 and 2023 in this report. As such, we have used the annual data which most closely aligns with our fiscal year. For the calendar year 2022, the estimate of total freshwater used by wet finishing key suppliers in manufacturing our products in areas of high-water stress was 22,574 million liters, a 12% reduction from the relevant 2018 base year. For the calendar year 2023, the estimate of total freshwater used by wet finishing key suppliers in manufacturing our products in areas of high-water stress was 18,722 million liters, a 27% reduction from the relevant 2018 base year.

Cumulative reduction in freshwater used by wet finishing key suppliers in manufacturing in areas of highwater stress from the 2018 base year are as follows:

|                              | Year Ended December 31 |        |        |             |
|------------------------------|------------------------|--------|--------|-------------|
|                              | 2021                   | 2022   | 2023   | 2025 Target |
| Cumulative Percent Reduction | 14%                    | 12 %   | 27 %   | 50%         |
| Million Liters               | 15,030                 | 22,574 | 18,722 |             |

# Goal: Prevent and reduce our impact on biodiversity within our supply chain; support ecosystem protection and restoration programs beyond our supply shed

LS&Co. set our first-ever biodiversity goal and supporting targets in 2023 following the completion of our 2022 assessment<sup>1</sup> to identify material impacts and dependencies on nature across the value chain. LS&Co. set three targets to drive progress against our biodiversity goal:

- By the end of fiscal year 2030, invest in at least three projects in high-water-stressed basins<sup>2</sup> that support the reduction of freshwater withdrawal pressures and nutrient load pressures in our raw material supply chain.
- Reach zero deforestation across high-risk materials<sup>3</sup> by the end of fiscal year 2025.
- Protect and restore 30%<sup>4</sup> of our raw material footprint in high biodiversity significant regions by the end of fiscal year 2030.

Given the nature and timing of the biodiversity goal and supporting targets, no quantifiable progress has been made as of this reporting period. As a result, there are no updates to disclose at this time.

- (1) Beyond Yoga® data was not included in this assessment.
- (2) Locations of basins will be selected by water/drought risk locations and our LS&Co. baseline biodiversity assessment. The exact proximity requirements are yet to be determined.
- (3) High-risk raw materials are defined as natural rubber, bovine leather and man-made cellulosic fibers as defined by EU Deforestation Regulation requirements. Zero deforestation is defined as avoiding the change of forests and natural ecosystems for agricultural purposes, governed by a December 31, 2020 cut-off date (the point in time after which no conversion is permissible) per the EU Deforestation Regulation.
- (4) 30% of our fiscal year 2022 baseline is approximately 50,000 hectares.

## Consumption

In fiscal year 2023, updates on our selected Consumption goals were as follows:

## Goal: By 2026, develop a comprehensive plan to make the company circular ready

Our circularity goal is to have a comprehensive plan developed by 2026 which outlines the steps and actions to make the company's products and services circular ready.

## Our plan will have:

- Established governance for plan execution
- Defined methodology and actions to reach the goal
- Defined target year(s) where year over year progress will be tracked
- Project plans and KPIs for key work streams
- Alignment and integration with business strategy

As of 2023, our efforts to develop a plan are underway. Our strategy is primarily based on the Circular Economy framework and principles of the Ellen MacArthur Foundation, which defines circular products as those that can be used more, are made to be made again and are made from safe, and recycled, or renewable inputs. Our products and services will be considered "circular ready" when they align to an established circularity framework. We will continue to report progress on the development of our plan.

# Goal: Key markets to introduce or increase resale and upcycling initiatives to extend the life of our products by 2025

We currently offer resale and upcycling programs like our Levi's® Tailor Shop and Levi's® SecondHand recommerce platform, which is available to customers in the United States. Through the Levi's® SecondHand recommerce platform we have reclaimed or extended approximately 20,000 units of clothing and resold 10,000 units, serving around 7,000 customers.

The below table represents an estimate of items sent for a second life (including consumer trade-ins, vintage products, and damaged returns), shown as net items fulfilled.

|   | Year Ended |        |        |
|---|------------|--------|--------|
|   | 2021       | 2022   | 2023   |
| Units of clothing reclaimed or extended         | 28,000     | 18,000 | 20,000 |
| Number of units resold                          | 14,000     | 13,000 | 10,000 |
| Number of consumers purchasing secondhand items | 10,000     | 9,000  | 7,000  |

# Goal: Zero waste to landfill from company-operated facilities and 50% waste diversion across strategic suppliers by 2030

We set this goal to accelerate our existing waste strategy. In fiscal year 2022, we began identifying immediate and longer-term actions to meet the goal. In fiscal year 2023, we have identified two targets for our owned and operated facilities and one for our supply chain. Our intention is to certify our company-operated distribution centers and manufacturing plants with TRUE Zero Waste. In alignment with the Zero Waste International Alliance and TRUE Zero Waste certification, facilities that reach the 90% threshold will be designated as zero waste.

Our key suppliers have diverted 76% of waste from landfill. Waste diversion refers to the process of redirecting waste materials from landfills through reuse, recycling (upcycled or downcycled), composting, or other environmentally responsible methods. The waste represented is the percentage of nonhazardous waste diverted over all nonhazardous waste in kilograms by our key suppliers. Waste data is provided by suppliers, through a third-party system, and is based on the calendar year. Therefore, waste data does not align with LS&Co. fiscal year dates. As such, we have used the 2023 calendar year data which most closely aligns with our fiscal year.

|  | Year Ended<br>December 31 |  |
|--|---------------------------|--|
|  | 2023                      |  |
| % of waste diverted from landfill at O&O locations | N/A 1                     |  |
| % contamination rate at O&O locations              | N/A <sup>1</sup>          |  |
| % of waste diverted from landfill at key suppliers | 76%                       |  |

<sup>(1)</sup> Waste data was collected in 2023 to subsequently be calculated during the first half of the following year. Efforts to measure owned and operated waste data have been temporarily paused while we evaluate the prioritization of our efforts surrounding our consumption goals. We remain committed to developing a process to obtain and calculate this data, and we expect to resume efforts to capture and report on these metrics in subsequent years

# Goal: Eliminate single-use plastics in consumer-facing packaging by shifting to 100% reusable, recyclable or home compostable plastics by 2030

We have completed some early steps toward this goal, including continuing to participate in a Fashion for Good project to test compostable alternatives to conventional single-use polybags, and are identifying the immediate and longer-term actions to reduce the use of plastics in our supply chain, distribution centers, and stores. Work to eliminate single-use plastics in consumer-facing packaging has been temporarily paused while we evaluate the prioritization of our efforts surrounding our consumption goals. We remain committed to experimenting with alternative and long-term methods to reduce plastics, both in our company and in concert with others in our industry. We expect to resume efforts to capture and report on these metrics in subsequent years.

# Goal: Strategic garment wet finishing manufacturing and fabric mills use 100% certified Screened Chemistry by 2026

Our chemistry goal pertains only to our wet finishing key supplier manufacturing facilities and fabric mills. Key suppliers refer to suppliers covering more than 80% of our global product units. Wet finishing is defined as any processing stage where textile is washed or treated with dyes, pigments, chemicals, and water.

We track both the percentage of Zero Discharge of Hazardous Chemicals (ZDHC) Manufacturing Restricted Substances List (MRSL) as well as Screened Chemistry conformance. The ZDHC MRSL provides a clear framework for identifying and eliminating hazardous chemicals from our supply chain, ensuring that our products are safer for both people and the environment. Using chemical formulations that conform to the ZDHC MRSL allows suppliers to assure themselves, and their customers, that banned chemical substances are not intentionally used during production and manufacturing processes. Meanwhile, Screened Chemistry allows our suppliers to go a step further by proactively evaluating, tracking, and selecting safer chemical alternatives, enhancing the overall safety and sustainability of our supply chain. Screened Chemistry covers all auxiliary and polymer chemicals used for production, and helps suppliers to meet future hazard assessments and traceability regulatory requirements.

Tracking both these metrics reflect our commitment to continuous improvement and enhancing traceability of chemicals used in our supply chain.

The results of our wet finishing key suppliers are self-reported and further weighted using the results of a third-party verification performed on a sample population. As of 2023, 75% of chemicals delivered or purchased by facilities for production were in conformance with ZDHC MRSL and 28% of our suppliers auxiliary chemicals were certified Screened Chemistry.

|   | Year<br>Ended |  |
|---|---------------|--|
|   | 2023          |  |
| % of chemicals purchased for production in conformance with ZDHC MRSL | 75 %          |  |
| % of screened chemicals in inventory used for LS&Co. production       | 28 %          |  |

We launched the LS&Co. <u>Chemical Playbook</u> for ZDHC in fiscal year 2022 and subsequently implemented updates in 2023. The playbook aims to communicate both our Screened Chemistry strategy and steps for supplier facilities' conformance with requirements from the ZDHC. Refer to the playbook and "Other Metrics" section below for more details.

## Goal: Use only third-party preferred or certified more sustainable primary materials by 2030

Our fiber goal defines primary materials as cotton, manmade cellulosic fibers (MMCs), leather and polyester. These were selected either based on the high percentage of fibers used in our products, or the overall risk surrounding the raw material. We define "more sustainable" materials as those that have achieved third-party verification or certification based on the Textile Exchange, which defines a preferred fiber or material as "one which results in improved environment and/or social sustainability outcomes and impacts in comparison to conventional production". While our suppliers source a small amount of leather, we include it in our analysis given the impact of leather on biodiversity. We work with our suppliers to improve supply chain visibility and partner with solution providers to support the development of traceability for leather.

In our year-over-year fiber analyses, we track the fiber used in our products based on current year purchases made for future product seasons—the second half of the current fiscal year and the first half of the following fiscal year. Together, these seasons generally correspond to the fiber sourced for LS&Co. products in the fiscal year.

Fibers used in LS&Co. products as a percentage of all fibers sourced:

|                                   | Year Ended |      |      |
|-----------------------------------|------------|------|------|
| Fiber                             | 2021       | 2022 | 2023 |
| Cotton                            | 89 %       | 88%  | 89%  |
| Polyester                         | 5 %        | 7%   | 7%   |
| Manmade cellulosics               | 4 %        | 4%   | 3%   |
| Elastane                          | 1 %        | 1%   | 1%   |
| Other (wool, leather, hemp, etc.) | <1%        | <1%  | <1%  |

Data for cotton, manmade cellulosics, and polyester excludes production for Levi's Footwear and Accessories (LFA), local production, licensees, and Beyond Yoga®. Data for leather excludes local production, licensees, and Beyond Yoga®. The percent of leather products sourced from Leather Working Group (LWG) rated suppliers is based on the best available information at the time of reporting. We are dedicated to improving the methodology used to calculate the amount of LWG-rated leather in our products by partnering with LWG and our suppliers.

Percent of fibers sourced that are more sustainable:

|  | · ·  | Year Ended |         |
|--|------|------------|---------|
| _  | 2021 | 2022       | 2023    |
| More sustainable cotton (i.e., cotton that was organic, recycled or Better Cotton) | 95%  | >99%       | 96 %    |
| Manmade cellulosic fibers<br>sourced from Canopy Green<br>Shirt-rated suppliers    | 100% | 100%       | 100 % 1 |
| Leather products sourced from<br>Leather Working Group (LWG)-<br>rated suppliers   | >35% | >60%       | 78%     |
| Recycled polyester   | 8%   | 11%        | 10 %    |

<sup>(1)</sup> In 2023, we accepted manmade cellulosic fibers manufactured by Lenzing and Birla only.

#### **Community**

In fiscal year 2023, our progress towards our selected Community goals were as follows:

## Goal: Continually improve apparel worker health, satisfaction, and engagement

Our apparel worker health, satisfaction, and engagement goal tracks both the percentage of key Tier 1 suppliers that have a well-established and functional worker-management committee (WMC) and the percentage of key Tier 1 suppliers with WMC comprised of more than 50% or proportionate women in decision making. The 2023 percentages are as follows:

|  | Year Ended |  |
|--|------------|--|
|  | 2023       |  |
| % of key suppliers have well-established and functional worker-management committee (WMC)        | 62 %       |  |
| % of key suppliers with WMC comprised of 50% or proportionate women workforce in decision making | 57 %       |  |

In 2022, we introduced our refreshed <u>Worker Well-being (WWB) program and guidebook</u> which offers brands and contract factories a self-directed approach to locally relevant ways to improve worker well-being and business performance. Please refer to our worker well-being program for further details.

## Goal: Ensure competitiveness and equity in total rewards

To ensure LS&Co. maintains fair and equitable compensation, historically, we conducted US pay analysis audits every other year through a third-party. In 2022, we used a third-party to complete an audit covering our U.S. non-union population, including corporate and retail employees, as well as distribution center management. The study considered job level, performance, experience, and other factors such as promotions and location of jobs. The audit confirmed that we do not have any systemic pay differences across gender and ethnicity.

In 2023, we developed in-house capabilities with oversight from outside counsel to run a similar analysis. The in-house analysis found compensation to be at parity across gender and ethnicity in the US following any outlier remediation. Further, we examined the gender pay equity for all our global corporate populations. Ethnicity data is not commonly captured internationally, and in some countries illegal for companies to track. We found no

statistically significant gender pay differences across these markets. We will continue to run an annual in-house analysis to fulfill our commitment to fair and equitable compensation.

# Goal: Ensure that LS&Co. remains a dynamic and inclusive career destination

Our goal focuses on hiring, representation, and engagement to ensure that LS&Co. remains a dynamic and inclusive career destination. In 2020, LS&Co. announced this goal to recruit, hire, and promote more people of color at all levels, and to increase the number of women in executive positions. This baseline representation data is as of December 31, 2020. For comparison purposes, all representation data is as of calendar year end December 31. All pay gender data is global, while ethnicity data is U.S. Our 2020 and 2023 representation data are as follows:

## Representation Data:

| -   |                         | As of I           | December 31, 20        | )20                  |                  |
|---|-------------------------|-------------------|------------------------|----------------------|------------------|
|   | Executive<br>Leadership | Top<br>Management | Corporate<br>Employees | Frontline<br>Workers | All<br>Employees |
| <b>Employees by Gender</b>                |                         |                   |                        |                      |                  |
| Female                                    | 46.2 %                  | 39.3 %            | 54.4 %                 | 59.7 %               | 60.6 %           |
| Male                                      | 53.8                    | 60.7              | 45.6                   | 40.3                 | 37.1             |
| Not Specified/Undeclared                  | N/A                     | N/A               | N/A                    | N/A                  | 2.3              |
| Total                                     | 100.0 %                 | 100.0 %           | 100.0 %                | 100.0 %              | 100.0 %          |
|   |                         |                   |                        |                      |                  |
| <b>Employees by Ethnicity (U.S. Only)</b> |                         |                   |                        |                      |                  |
| Asian                                     | 7.7 %                   | 16.0 %            | 23.5 %                 | 5.0 %                | 9.6 %            |
| Black                                     | N/A                     | 3.6               | 5.6                    | 21.1                 | 17.3             |
| Latinx                                    | 7.7                     | 5.3               | 9.5                    | 33.3                 | 27.5             |
| White                                     | 84.6                    | 69.8              | 54.2                   | 34.1                 | 38.9             |
| Other BIPOC                               | N/A                     | 1.2               | 4.5                    | 5.1                  | 5.0              |
| Not Specified/Undeclared                  | N/A                     | 4.1               | 2.7                    | 1.4                  | 1.7              |
| Total                                     | 100.0 %                 | 100.0 %           | 100.0 %                | 100.0 %              | 100.0 %          |

|                                    |                         | As of ]           | December 31, 2         | 023                  |                  |
|------------------------------------|-------------------------|-------------------|------------------------|----------------------|------------------|
|                                    | Executive<br>Leadership | Top<br>Management | Corporate<br>Employees | Frontline<br>Workers | All<br>Employees |
| <b>Employees by Gender</b>         |                         |                   |                        |                      |                  |
| Female                             | 61.5 %                  | 45.3 %            | 54.6 %                 | 57.0 %               | 56.8 %           |
| Male                               | 38.5                    | 54.3              | 42.2                   | 34.1                 | 35.4             |
| Not Specified/Undeclared           | N/A                     | 0.4               | 3.2                    | 8.9                  | 7.8              |
| Total                              | 100.0 %                 | 100.0 %           | 100.0 %                | 100.0 %              | 100.0 %          |
|                                    |                         |                   |                        |                      |                  |
| Employees by Ethnicity (U.S. Only) |                         |                   |                        |                      |                  |
| Asian                              | 7.7 %                   | 17.4 %            | 23.2 %                 | 5.7 %                | 9.9 %            |
| Black                              | 7.7                     | 6.8               | 8.3                    | 19.4                 | 16.7             |
| Latinx                             | N/A                     | 9.5               | 12.3                   | 39.7                 | 33.1             |
| White                              | 84.6                    | 62.6              | 48.9                   | 29.1                 | 33.9             |
| Other BIPOC                        | N/A                     | 2.1               | 5.2                    | 5.1                  | 5.1              |
| Not Specified/Undeclared           | N/A                     | 1.6               | 2.1                    | 1.0                  | 1.3              |
| Total                              | 100.0 %                 | 100.0 %           | 100.0 %                | 100.0 %              | 100.0 %          |

To learn about our efforts in 2023 and find additional representation data, please see our <u>Diversity, Equity</u> & <u>Inclusion Impact Report</u>.

# Goal: Leverage the leadership of the Levi Strauss Foundation and invest in our communities to advance pioneering social change

We continue to invest in our communities to advance social change through our Levi Strauss Foundation (LSF, or the foundation). LSF is a separately run charitable foundation which is funded by LS&Co.. LSF invests in our communities, outfitting movements and leaders fighting for a just and abundant world. All LSF amounts are based on LSF fiscal year, which ends on November 30th.

|            | Year Ended |     |        |             |     |      |     |
|------------|------------|-----|--------|-------------|-----|------|-----|
|            | 20         | )21 | 2      | 2022        |     | 2023 |     |
|            |            | (D  | ollars | s in millio | ns) |      |     |
| LSF grants | \$         | 9.5 | \$     | 12.0        | \$  |      | 9.3 |

# Goal: Drive societal impact in communities where LS&Co. operates through advocacy, grantmaking employee giving and volunteerism

How we give reflects our commitment to our values. Outside of the LSF's giving, LS&Co. provided \$2.5 million in funding to nonprofit organizations worldwide, and approximately \$0.3 million in product donations.

|   | Year Ended |     |       |             |     |      |     |
|---|------------|-----|-------|-------------|-----|------|-----|
|   | 2          | 021 | 2     | 2022        |     | 2023 |     |
|   |            | (D  | ollar | s in millio | ns) |      |     |
| Total amount of direct corporate and brand grants | \$         | 3.1 | \$    | 3.4         | \$  |      | 2.5 |
| Product donations                                 | \$         | 0.9 | \$    | 1.9         | \$  |      | 0.3 |

Percent of corporate giving by focus area is self-reported by each nonprofit organization within a third-party charitable management platform.

|                         | Year Ended |      |  |  |
|-------------------------|------------|------|--|--|
| Focus Areas             | 2022       | 2023 |  |  |
| Sustainability          | 23 %       | 14 % |  |  |
| Equality                | 29 %       | 43 % |  |  |
| Civic engagement        | 25 %       | 16 % |  |  |
| Gun violence prevention | 17 %       | 18 % |  |  |
| Other                   | 6 %        | 9 %  |  |  |

## **Other Metrics**

# Additional scope 3 metrics:

Our total scope 3 emissions of 3,732 thousand tons CO2 e includes emissions that are both in boundary and relevant to our business, and categories of indirect emissions streams that fall outside of our near-term and long-term scope 3 SBT boundaries. This is tracked and calculated as part of our Carbon Disclosure Project (CDP) survey. Upstream (category 8) and downstream (category 13) leased assets, processing of sold products (category 10), and investments (category 15) are not calculated as they are not applicable to our business. The 2022 amounts presented below reflects our restated 2022 emissions, updated for the agricultural emissions accounting methodology to align with GHGP's forthcoming Land Sector and Removals Guidance.

|             |                                       | 2022       |            | 2023       |            |
|-------------|---------------------------------------|------------|------------|------------|------------|
|             |                                       | Tons CO2e  | % of Total | Tons CO2e  | % of Total |
|             |                                       | rounded in | thousands  | rounded in | thousands  |
| Category 1  | Purchased Goods and Services          | 2,145      | 54.9 %     | 1,993      | 53.4 %     |
| Category 2  | Capital Goods                         | 7          | 0.2 %      | 10         | 0.3 %      |
| Category 3  | Fuel and Energy Use                   | 8          | 0.2 %      | 7          | 0.2 %      |
| Category 4  | Upstream Transport and Distribution   | 90         | 2.3 %      | 54         | 1.5 %      |
| Category 5  | Waste generated in company            | 15         | 0.4 %      | 14         | 0.4 %      |
| Category 6  | Business travel                       | 10         | 0.2 %      | 9          | 0.2 %      |
| Category 7  | Employee Commuting                    | 18         | 0.5 %      | 27         | 0.7 %      |
| Category 8  | Upstream leased assets                | N/A        | N/A        | N/A        | N/A        |
| Category 9  | Downstream transport and distribution | 303        | 7.8 %      | 299        | 8.0 %      |
| Category 10 | Processing of sold products           | N/A        | N/A        | N/A        | N/A        |
| Category 11 | End of use of sold goods              | 1,201      | 30.7 %     | 1,202      | 32.2 %     |
| Category 12 | Waste disposal of products            | 82         | 2.1 %      | 81         | 2.2 %      |
| Category 13 | Downstream leased assets              | N/A        | N/A        | N/A        | N/A        |
| Category 14 | Operation of franchises               | 30         | 0.8 %      | 36         | 1.0 %      |
| Category 15 | Operation of investment               | N/A        | N/A        | N/A        | N/A        |
|             | Total Scope 3                         | 3,909      | 100 %      | 3,732      | 100 %      |
|             |                                       |            |            |            |            |
|             | Net-Zero In Boundary Scope 3          | 2,645      |            | 2,450      |            |

The scope 3 (category 1) 2.0 metric tons of CO2e emissions can be broken down to impact by life cycle stage and activity as follows:

|   | Year Ended |
|---|------------|
| Category 1 Breakdown                              | 2023       |
| Yarn production                                   | 33 %       |
| Raw material production                           | 27 %       |
| Textile production                                | 19 %       |
| Garment assembly (cut & sew and laundry emissions | 9 %        |
| Garment production (multiple stages)              | 9 %        |
| Sundries  | 3 %        |
| Total   | 100 %      |

The below emissions represents total fibers sourced, including scraps, and does not represent the fibers solely in our final products. The emissions impact of the top three raw materials sourced are as follows:

|                           | 2023                 |
|---------------------------|----------------------|
|                           | t CO2e               |
| Top 3 Raw Material Impact | Rounded in thousands |
| Cotton                    | 368                  |
| Polyester                 | 58                   |
| MMC                       | 18                   |

## Updates on our LS&Co. Chemical Playbook

Since the publication of our Chemical Playbook, we remain committed to disclosing our progress as outlined therein. Please refer to the tables below for additional chemical metrics and updates.

ZDHC MRSL and Gateway Chemical Module: As of 2023, 204 facilities were registered in ZDHC Gateway, including all of our key wet finishing facilities. Breakout between Tier 1 and Tier 2 key wet finishing facilities are as follows:

|                  | Year Ended |
|------------------|------------|
|                  | 2023       |
| Tier 1 (Laundry) | 62 %       |
| Tier 2 (Mills)   | 38 %       |

ZDHC Wastewater: As of 2023, 86% of our key wet finishing facilities had wastewater discharge and 100% were registered in the ZDHC Gateway Wastewater Module. 14% of our key wet finishing facilities were classified as zero liquid discharge (ZLD).

ZDHC Gateway Wastewater Module: Annually, facilities perform two tests as per the latest ZDHC wastewater (WW) guidelines. Key wet finishing facilities are required to reach at least Foundational level and upload wastewater testing results to Detox.live including Corrective Action Plan (CAP) in case of any failure. The key wet finishing facilities' wastewater performance is as follows:

|              | Tested | Passed |
|--------------|--------|--------|
| April 2023   | 93 %   | 79 %   |
| October 2023 | 96 %   | 77 %   |

ZDHC Academy: 95% of our key wet finishing facilities were ZDHC Academy participating facilities.

ZDHC Chemical Management System and Facility Leader Program: ZDHC Chemical Management System (CMS) implementation is monitored with ZDHC Supplier to Zero (S2Z) certifications. Of the our key wet finishing facilities, ZDHC S2Z Certifications were as follows:

|                    | 2023 |
|--------------------|------|
| Foundational Level | 57 % |
| Progressive Level  | 43 % |

*Performance InCheck & ClearStream Reporting:* On average 95% of facilities were completing ClearStream Reports, 100% of key wet finishing facilities were completing InCheck Reports.

## **NOTES**

## **Report Scope and Content**

This report covers performance during our fiscal year 2023 (November 28, 2022 through November 26, 2023), except where noted. The Company's fiscal year ends on the Sunday that is closest to November 30 of that year. Some of our calculations rely on supplier data, and due to limitations on proprietary information, certain metrics—such as greenhouse gas emissions and other goal-related data—are measured in calendar months rather than aligned with our week-based fiscal periods. We consider the few day discrepancies between our fiscal periods and calendar months to be immaterial. As a result, the data is not differentiated and is presented as 'Year Ended' above. All references to years relate to our November fiscal year rather than the December calendar year, except where noted..

Our reporting is based on the underlying disclosure context. When appropriate, certain sections of this report focus on our company-operated corporate offices, distribution centers, factories and retail stores across all our

geographic regions. Unless indicated otherwise, metrics include consolidated data from the company and its subsidiaries. In September 2021, we acquired Beyond Yoga®, and its sustainability data has been included unless indicated otherwise. At other times, we include information related to third parties that manufacture, distribute or sell our products, including suppliers, vendors, contractors, licensees and other partners. The apparel supply chain traditionally comprises four tiers: Tier 1—Garment manufacturers (cut and sew, laundry); Tier 2—Processing facilities (fabric dyeing, weaving, and finishing mills); Tier 3—Processing facilities (textile spinning); and Tier 4—Raw material suppliers. Data inclusions and exclusions are clearly noted. The term 'strategic supplier' refers to a designated subset of suppliers with whom we conduct business, selected based on their strategic importance to our goal initiatives and or alignment with our sustainability strategy. This includes key suppliers, which represent suppliers covering more than 80% of our global product units, or an applicable subset—such as wet finishing key suppliers or those operating in areas of high water stress. Further details and references to these suppliers are provided in the relevant sections.

## Rounding

We use conventional rounding methods throughout the report, and data has been rounded to the nearest whole number except where noted, and with the exception of items approaching 100% (>99%), in which case, we will not round to avoid misleading or implying 100%.

#### **Use of Estimates**

We continually review Greenhouse Gas Protocol accounting standards, SBTi target standards, and CDP criteria and are committed to utilizing best practice quantification methodologies. Changes to GHGP or SBT standards may trigger mandatory recalculations of historical GHG inventories, and adjustments to target boundaries and trajectories.

#### **Data Verification**

We are committed to data accuracy, comparability and consistency that enable year-over-year assessments of our sustainability progress. We applied our internally developed substantiation process to the information and disclosures provided in this report. This included review of report content to reliable external and internal evidence, including system-generated reports, external assurance reports, and certifications received. Differences from industry standards, assumptions, estimates or models used in the information are clearly referenced and explained. Additionally, the report is reviewed by an internal cross-functional team to ensure our disclosures are presented clearly and consistently. While this process gives us confidence in the integrity and accuracy of our data and disclosures, it is not a substitute for third-party assurance. We regularly review emissions quantification methodologies to ensure we are aligned with best practices. Changes in our methodologies may result in updated calculations for our current and previous reporting periods, including our base year. Reasonable methodologies, estimates and other assumptions are used when compiling the data based on the information and methodologies available at that time.