

DOCKERS[®]
SAN FRANCISCO



Levi Strauss & Co.'s Restricted Substance List

Colleen Kohlsaar
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Company Facts



- Founded 1853
- Brands: Levi's®, Dockers®, Signature by Levi Strauss & Co.™
- \$4.4 billion
- 11,500 Employees
- Sell in over 110 countries
 - 60,000+ retail locations
 - 1500 brand-dedicated stores
- Supply Chain:
 - Over 750 suppliers
 - 55 countries
 - 315,000 workers



RSL Background

- Pre-2000: chemical approval process
- 2001: European RSL
 - Country regulatory restrictions
- 2002: Global RSL
 - Country regulatory restrictions
 - H&S/Toxicology data
 - Peer reviewed risk assessment process
- Systematic updates: 2004, 2006, & 2008



Restrictions & Scope



- List of Chemical Substances:
 - ❑ Prohibited from use
 - ❑ Limited concentration on end product
 - ❑ Phase-out (2008 version)
- Scope:
 - ❑ All direct suppliers, licensees, agents
 - ❑ All branded products, sundries, accessories, packaging



RSL Version 2008



- Metal restrictions enhanced
- Phthalates: prohibited for children's products
- Electrical parts & electronics
- REACH requirements
- Update of China requirements on formaldehyde & azo dyes
- Chemical Phase-Out List



Chemical Phase-out List



- Supports Company's environmental vision
- Peer-reviewed ecotox risk assessment process
- Resulting Phase-Out List:
 - APEOs
 - Bisphenol-A
 - D4 Siloxane
 - PVC
 - Phthalates (prohibited for children's products)
- LS&CO. works with Suppliers to find alternatives
- Goal to prohibit the chemicals' use in near future



RSL Implementation



■ LS&CO.:

- ❑ Receive *Compliance Agreements* from Suppliers
- ❑ Supplier Training
- ❑ Assist Suppliers with chemical alternatives and RSL Compliance
- ❑ Product reviews at development stage
- ❑ Lab testing as needed

■ Suppliers:

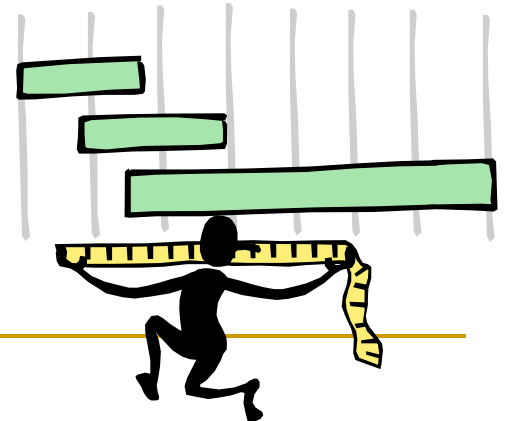
- ❑ Sign & return *Compliance Agreements*
- ❑ Request training and more information from LS&CO.
- ❑ Educate internal staff & communicate to *their* suppliers
- ❑ Receive *Compliance Agreements* and *Chemical Information Logs* from their suppliers & submit to LS&CO.
- ❑ Replace unknown or noncompliant chemicals
- ❑ Validate compliance; perform lab testing as needed



Measuring Progress



- Receipt of Compliance Agreements and chemical information
- Engagement with Suppliers (requests for training, facility visits)
- Engagement with Chemical Suppliers (RSL discussions and development of alternatives)
- Compliance confirmed via analytical lab testing
- Reduced product recalls



Impact of RSL



- Worker & consumer safety
- Ecosystem health
- Supplier capacity building to understand chemical concerns and evaluate processes for restricted substances
- Chemical suppliers develop alternatives
- Signals clear message to suppliers as others in industry communicate RSL requirements

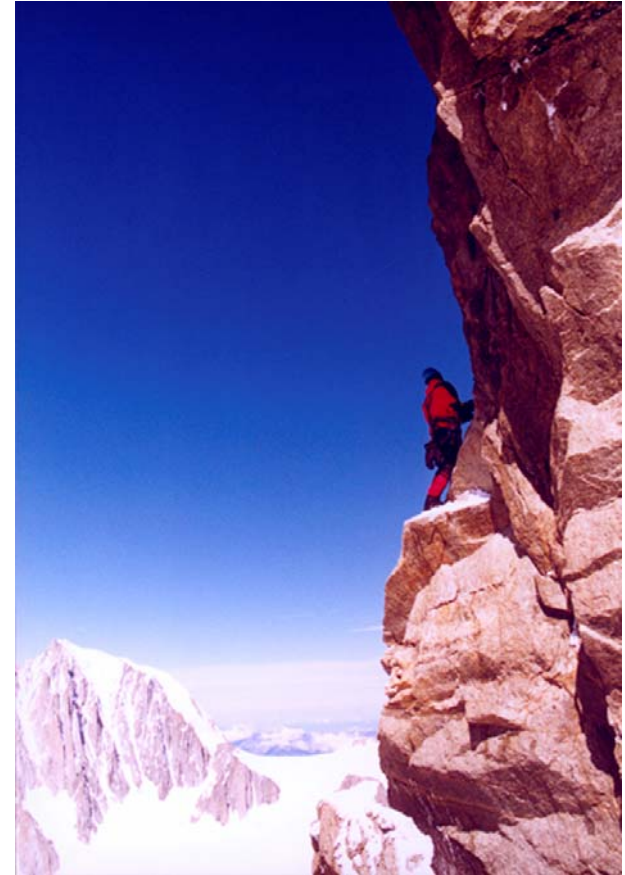


Challenges / Opportunities



- Licensees
- Unclear legal requirements
- Test Methods
- Subcontracting
- Lack of transparency

- Improving knowledge
- Growing collaboration



Thank You!

Colleen Kohlsaat
Cneedels-kohlsaat@levi.com

<http://www.levistrauss.com/citizenship/>