Water Sustainability

Sean Cady Levi Strauss & Co.

31 March 2010 AFIRM Hong Kong Seminar

LEVI STRAUSS & CO.

LEVI'S®

DOCKERS®

SIGNATURE BY LEVI STRAUSS & CO.™

Current Situation

- Over 2 billion people lack access to improved sanitation
- More than 850 million people do not have ready access to potable water
- " Physical water scarcity continues to grow
- " Economic water scarcity will expand with growing population

Life Cycle Analysis

"...the compilation and evaluation of the inputs, outputs and the potential environmental impacts of a product system throughout its lifecycle"



Product lifecycle impact

Levi's® 501®



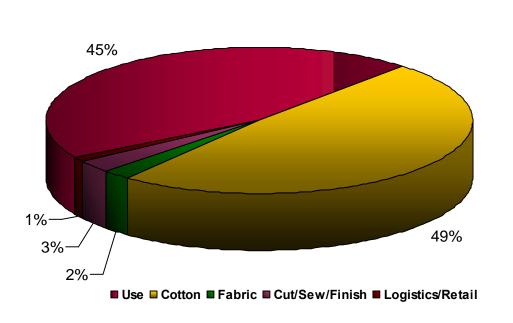
is equivalent to:

- " 120 km driven by the average auto in the United States
- The carbon sequestered by six trees per year (based on EPA representative sequestration rates of tons of carbon per acre per year)
- "Running a garden hose for 106 minutes
- "53 showers (based on 7 minute showers)
- " 575 flushes of a 3.78 liter/flush low flow toilet
- "Watching TV on a plasma screen for 318 hours
- "Powering a computer for 556 hours, which is equivalent to 70 work days (based on 8 hours of computer use per day)

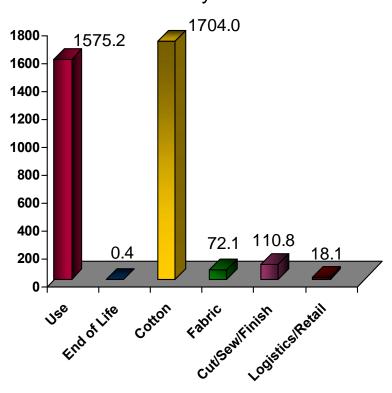
Data from LS&CO.'s Life Cycle Assessment on Levi's® 501® jean for U.S. Market, 2006 production year

Water use impact Levi's® 501®

Cradle-to-Grave Water Consumption, % by Phase



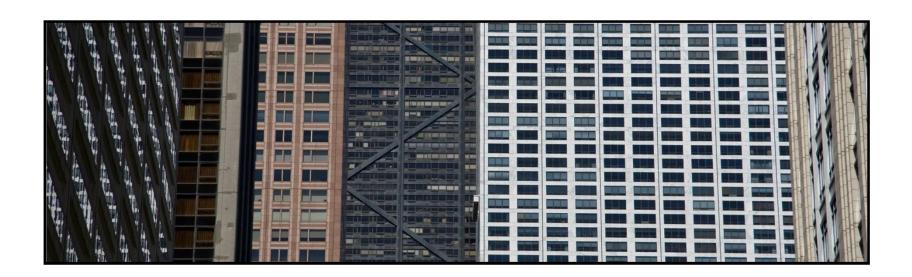
Cradle-to-Grave Water Consumption,
Amount by Phase



For the studied Levi's[®] 501[®] jeans (cradle to grave), water consumption was highest at the <u>cotton-production and consumer-use</u> phases (49% and 45% respectively)

World Projections

- " By 2050, the world population will be over 9 billion people
- Increased competition for agriculture land and water
- " Increased water scarcity
- Increased price of water



Water Discharge

- Clean wastewater before discharge
- " Discharge to dirty river?
- " Better use for clean water?



Levi Strauss & Co. Opportunities for Minimizing Water Use

- Cotton agriculture
- Manufacturing
 Dying, fabric mill, laundry
- Own operations
 Offices, retail stores, distribution centers
- Consumer washing practices







What You Can Do

- Minimize water use
- " Use appropriate chemicals (no excess)
- " Lower liquor ratios for dying
- Functioning wastewater treatment system
- " Recycle water back to process
- Reuse water somewhere else onsite
- Countercurrent piping system



Thank You

LEVI STRAUSS & CO.

LEVI'S®

DOCKERS®

SIGNATURE BY LEVI STRAUSS & CO.™