

LEVI STRAUSS & CO.

Global Anti-bribery & Anti-corruption Policy



LEVI STRAUSS & CO., GLOBAL ANTI-BRIBERY & ANTI-CORRUPTION POLICY

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1.0 Policy Statement and Scope

1.1 Policy Statement

Levi Strauss & Co. conducts business with integrity and in compliance with the law. This policy should be read in conjunction with other relevant LS&Co. policies and guidelines, including the *Worldwide Code of Business Conduct* and the *Global Gifts & Entertainment Policy*. While this policy specifically governs offers and payments made to government officials, it also provides that no employee should ever authorize, solicit, pay, promise, accept or offer to give anything to any person in order to improperly influence that individual to act favorably towards LS&Co. We also must not request or authorize any third party to make any such payment, promise or offer. This policy thus prohibits promising, offering, or giving anything of value to any party, including a customer, potential customer, business provider, or potential business provider, with the intention or appearance of improperly influencing its business decisions. Such behavior constitutes bribery and is strictly prohibited wherever LS&Co. operates or wherever its products are sold or sourced.

LS&Co. is committed to winning business through fair and honest competition in the marketplace. Compliance with this policy is the responsibility of everyone at the Company. LS&Co. is subject to many international anti-corruption laws as well as local laws in any country where the Company may operate.

Failure to comply with any provision of this policy or other related company policy is a serious violation, and may result in disciplinary action, up to and including termination, as well as civil or criminal charges.

1.2 Policy Scope

This policy shall apply to all directors, officers, employees and agents of Levi Strauss & Co., and defines the minimum standards that all LS&Co. employees worldwide must observe when dealing with covered government officials and also with private parties. If you are in a situation that may raise anti-bribery concerns or if you are uncertain about how to proceed, consult your manager, or a member of the Global Compliance Team before acting. Additionally, if you suspect or have reason to suspect that an employee or business partner is using his or her own funds to make improper payments, you must report your suspicions to a the Global Compliance Team. If you are uncomfortable raising the issue internally, you may also report your suspicions anonymously through the LS&Co. Ethics and Compliance Reportline.

Laws prohibiting commercial bribery (i.e., bribery of private individuals) also exist in many countries where LS&Co. operates or where its products are sold or sourced. This policy therefore prohibits both commercial bribery, and bribery of government officials. Additionally, you should consult the relevant sections of LS&Co.'s *Worldwide Code of Business Conduct* (see, for example, Conflicts of Interest, Gifts and Family Members).

If you have any questions about what is permissible, consult the Global Compliance Team. In case of doubt, you should assume that the bribery laws of the country where you work prohibit

improper payments or gifts to both government officials and private persons with whom LS&Co. does business.

1.3 Overview of Applicable Anti-bribery Laws

Applicable anti-bribery laws prohibit payments and anything of value to government officials and private persons for an improper purpose. LS&Co. complies with all requirements and restrictions of applicable anti-bribery laws. These laws apply to the global conduct of LS&Co. and its directors, officers, employees and agents, regardless of nationality.

Applicable anti-bribery laws including the U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act, prohibit LS&Co. and its directors, officers, employees and agents and all others who perform services on its behalf from the following:

PROHIBITED

- Promising, soliciting, authorizing, accepting, giving, or offering payment of money or anything of value (including gifts, entertainment and non-cash gifts and other benefits, such as offers of employment, educational placement, and charitable donations to entities related to such individuals), or
- Providing any other benefit directly or indirectly (i.e. through third parties) to a covered government official or to any person to induce the recipient to misuse his or her position or to obtain any improper advantage to win or retain business for LS&Co., or direct business to any other person.

Civil and Criminal Penalties

Violations of applicable anti-bribery laws can subject both LS&Co. and individual employees to civil and criminal penalties. The penalties for violation of applicable anti-bribery laws may include fines and/or incarceration (jail). Applicable anti-bribery laws may also prohibit a company from reimbursing a director, officer, employee, agent, or consultant for the amount of the fine involved. Individuals may be subject to criminal liability under anti-bribery laws, regardless of whether the company has been found guilty or prosecuted for a violation.

Anti-bribery laws and related requirements contain accounting provisions that prohibit the submission of false or misleading records (this includes expense reports, receipts, invoices, etc.). All expenditures must be recorded with sufficient detail to accurately and fairly reflect the transaction and/or disposition of the expense or asset.

NOTE: Regardless of the customs of a particular country, you must follow this LS&Co. policy and applicable laws regarding doing business with covered government officials.

2.0 Covered Government Officials

A government official includes anyone, regardless of rank, who holds a legislative, political administrative or judicial position, whether appointed or elected, or anyone who exercises a public function on behalf of any public agency or public enterprise anywhere in the world, as well as officials or agents of public international organizations (such as WHO and the United Nations). This includes:

- An officer or employee of any local, provincial or national government; (for example, members of parliament, police officers, government security forces, members of the military, tax authorities, customs inspectors, building inspectors, inspectors for state-owned electrical utilities, etc.)
- A director, officer, representative, agent or employee of any government-owned or controlled business or company (for example; the government owns 30 percent of the stock or business, or is its largest shareholder, or controls the entity through its management, board membership or other means)
- An officer or employee of a public international organization (for example, the United Nations (UN), the World Health Organization (WHO), the International Olympic Committee, the International Red Cross, the World Bank, the International Monetary Fund, etc.)
- Any person acting in an official capacity or on behalf of any government or public international organization (for example, an official advisor to a government)
- Any officer or employee of a political party
- Any candidate for political office
- A close relative (for example, parent, sibling, spouse or child) of any of the above

3.0 Examples: Potential Bribery / Improper Influence of Government Officials

Examples of potential bribery include, but are not limited to, the following:

- **CASH/CASH EQUIVALENTS:** Offering cash or cash equivalents (e.g., gift cards or gift checks) or making loans to government officials, an employee of a client, or a business partner (making such payments to related persons, such as family members or intermediaries of government officials may also constitute bribery).
- **TRAVEL/ENTERTAINMENT:** Offering or making payments for travel or entertainment, or other hospitality for any government official, their family members or associates (except as outlined in Section 4.1).
- **FAVORS:** Offering favors, including offers of employment or internships to any government official, their family members or associates in circumstances where it might create a sense of obligation on the part of the recipient.
- **GIFTS:** Providing gifts (e.g. wine, perfume, jewelry, club membership) to any government official their family members or associates (except as outlined in Section 4.2).

- **CHARITY:** Donations to a charity or non-profit charitable cause, linked, affiliated with or sponsored by any government official, his/her family members or associates.
- **POLITICAL CONTRIBUTIONS:** Political contributions to political parties or candidates.

Examples of improperly influencing a person to act favorably towards LS&Co. include, but are not limited to, offering a gift, no matter how small in value where:

- The person would not act if you did not make the gift, and you give a gift to *increase the chances* that the person will take a favorable action or may make a business decision based upon the gift.

Examples of providing improper business advantage include, but are not limited to, when a government official:

- Overlooks a violation or tolerates non-compliance with relevant laws (e.g., environmental or worker safety laws)
- Omits or overlooks unfavorable inspection results
- Reduces customs duties
- Grants a favorable tax treatment
- Does not perform a task that should otherwise be performed in accordance with that person's duties (e.g., does not conduct a required inspection, prior to issuing a permit)

REMINDERS:

- The mere appearance of influencing a government official or a private party may be sufficient to trigger a serious allegation that bribery has been committed.
- Even an attempt to bribe a government official or a private party is unacceptable. Such an offer may be illegal, even if the offer is not accepted or the payment does not achieve the desired outcome.
- Even if there is no intent to exert improper influence over a government official or a private party, there is still a risk if the recipient is unduly influenced, or if the recipient perceives a gift as an attempt to influence him/her to act favorably towards LS&Co.
- Even the perception of impropriety can cause embarrassment to LS&Co., damage its reputation and force the company to pay legal and litigation fees in its defense.

4.0 Travel, Entertainment and Gifts

4.1 Travel and Entertainment

The nature of LS&Co.'s business makes it unlikely that travel will be required by a government official in the course of legitimate business dealings with LS&Co. In rare instances where travel may be required, **you must obtain a written exception and advance approval** provided by your local (country) Finance Director, Legal counsel or the Global Compliance Team before such travel may be authorized.

In instances where business entertainment may be required involving a government official, the following guidelines must be followed:

- a. The entertainment expenses must be permitted under local government rules, regulations or policies that apply to the government official(s) in question.
- b. Entertainment must be directly related to a government official's participation in a business meeting with LS&Co.
- c. Entertainment must be *reasonable*, as measured by (a) the prevailing market rates for similar expenditures; (b) the amount of the expenditure compared to the government official's estimated compensation; and (c) custom, both locally and within the industry.
- d. Entertainment should be limited to no more than \$50 per event and no more than \$200 total in one calendar year provided to the same person.
- e. In unique or exceptional circumstances, the Global Compliance Team may provide advance approval and authorize an exception to the entertainment limit; however, any such approval and authorization must be documented in writing.
- f. Entertainment should be modest, reasonable and in good taste, and not have the potential to cause damage to the Company's brands or global reputation.
- g. Entertainment, other than routine moderately-priced meals and refreshments (coffee, tea), must be provided in an open and transparent manner.
- h. No entertainment, meal or gift may be provided to any family member of a government official.

- i. Do not provide cash allowances or per diems (daily allowance). Pay vendors directly for any entertainment expenses.
- j. Note all expenditures accurately in LS&Co. books (including expense reports), and maintain all required documentation.
- k. Never use personal funds to do something that would be prohibited under this Policy.

PROHIBITED: Lavish or expensive meals, travel or entertainment is prohibited.

| ALLOWED | PROHIBITED / NOT ALLOWED |
|--|--|
| <ul style="list-style-type: none"> • Moderately-priced meals or tickets to events valued at no more than \$50 USD per event/meal • No more than \$200 total value per calendar year to the same government official, during which an LS&Co. employee is present and substantial legitimate business matters are discussed • This \$200 limit includes all entertainment such as karaoke, concerts, or sporting events, as well as coffee, tea, snacks and meals <p><i>For example: If an employee took a government official to a sports event in the afternoon, and later that evening decided to take the same individual to dinner, the sports event and dinner would be considered one “entertainment event.” Therefore, the total cost for both the dinner and the sports event should not exceed \$50 USD for that covered government official.</i></p> | <ul style="list-style-type: none"> • Lavish and costly dinners including expensive bottles of wine or liquor • Adult entertainment • Frequent entertainment for the same individual (more than two times per year) • Cash and cash equivalents • Gift cards or gift checks • Meals with receipts that include <i>only</i> alcoholic beverages/liquor, and no food • Payment for or reimbursement of entertainment, events or meals where no LS&Co. employees are present or participating • Meals or entertainment with no substantive business discussion |

4.2 Gifts

Gifts to government officials and other persons *may* be acceptable if they comply with the following requirements (if you are unsure, please ask the Global Compliance Team for guidance).

- Gifts must comply with local laws, which often prohibit gifts, regardless of value. If allowed under local law, gifts must be of nominal value (maximum value U.S. \$50 or local equivalent), and the maximum amount for giving gifts to the same government official per calendar year is U.S. \$200. In exceptional circumstances, the Global Compliance Team may authorize a gift exceeding this limit, provided it is reasonable in value and the authorization is documented in writing.
- Gifts must be given in an open and transparent manner and must not influence a government official's action or conduct related to LS&Co. business.
- Gifts must be infrequent and should always exclude family members of the government official.
- All gifts must be properly recorded in LS&Co.'s books and records.
- Gifts must never be in cash or in cash equivalents (gift cards are not allowed).

Examples of gifts that typically meet the above requirements and are normally okay include:

- ✓ Small mementos and promotional items bearing LS&Co.'s brands/trademarks
- ✓ Customary or seasonal gifts of modest value not exceeding U.S. \$50 and applicable under local law (e.g., congratulatory flowers or fruit baskets)

5.0 Charitable Donations

Bona fide donations made pursuant to LS&Co.'s policies on donations must be made for a purely charitable purpose. To ensure that no donation is used to camouflage a bribe, and that no donation can be misconstrued as a bribe, any donation given on behalf of LS&Co. should comply with the following requirements:

- A. **Request Submitted in Writing:** Any request for a donation must be made in writing and must sufficiently describe the charitable purpose of the donation, any business reason for the donation, and all details about the recipient. Further, any donation equivalent to U.S. \$500 or greater should be reviewed and approved in advance by the Country Manager or the Finance Director to ensure compliance with these requirements.
- B. **Advance Screening:** The recipient must be screened to (a) ascertain that it is an organization capable of receiving charitable donations under relevant local laws, and (b) determine that it has no connection to a government official or private person who is in a position to act or make a decision in favor of LS&Co.
- C. **Lawful Donation:** In case of doubt, consult local legal counsel (approved in advance by the Legal Department). Legal counsel will confirm that the donation is lawful under the written

laws and regulations of the location or country where the donation will be made.

- D. **Documented Approval:** The donation must be approved in writing in advance by the Country Manager or Finance Director. The recipient must issue a written receipt of the donation specifying the amount and certifying that the donation will not benefit, directly or indirectly, any government official or private person. *See Attachment A available on Threads for the Charitable Donation Certification Form (to be signed by the recipient charitable organization).*
- E. **Documentation:** The donation must be accurately documented and recorded in the company's books and records.

6.0 Facilitation Payments - NOT Allowed

In some countries, it may be the local practice for businesses to make payments of small amounts to low-level government officials in order to expedite or “facilitate” routine government actions over which such officials have no control or discretion. Examples of routine, non-discretionary actions include providing police protection, granting visas or utility services, or clearing customs. Such payments are called “facilitating payments”.

PROHIBITED: Facilitation payments, whether legal or not in a country, are prohibited under this Policy.

7.0 Personal Safety Payments

LS&Co. recognizes that personnel operating outside of the U.S. may confront situations where payment is demanded to avoid physical harm. In these limited circumstances, “Personal Safety Payments” may be made. Examples of such circumstances include:

- Being stopped by persons claiming to be police, military, or paramilitary personnel, who demand payment as a condition of safe passage
- Being threatened with imprisonment for a routine traffic or visa violation unless a payment is made
- Being asked by persons claiming to be security personnel, immigration control, or health inspectors to pay for (or to avoid) an allegedly required inoculation, vaccine, medical test, or similar procedure

Only under these or similar circumstances, and only where there is an imminent threat to the health or safety of LS&Co. employee, may a Personal Safety Payment be made.

After a Personal Safety Payment is Made

As soon as possible (but no more than seven days) after the event has passed, the payment should be reported to the Global Compliance Team, and submitted on an expense report, reflecting accurately the amount paid, the recipient (if known), the means of payment, and the circumstances under which the payment was made. The Global Compliance Team will

investigate and document the circumstances surrounding the Personal Safety payment and work with LS&Co. Finance to ensure that the payment is promptly and accurately recorded in LS&Co.'s books and records.

8.0 Third Parties and Prohibited Indirect Payments

Allegations of bribery may sometimes involve Third Parties. In this Policy, any individual or entity acting on behalf of, as an extension of, or under the control of LS&Co. (such as agents, distributors, consultants or partners) is referred to as a "Third Party."

Because anti-bribery laws prohibit "indirect" as well as direct payments and offers, both you, and LS&Co. may be held liable for the conduct of a Third Party when we know or reasonably should have known of a Third Party's potentially unlawful conduct. Turning a "blind eye" or ignoring "red flags" does not exonerate LS&Co., or you personally, from criminal or civil liability.

Authorizing a Third Party to do something that you cannot do directly is a direct violation of this Policy and most anti-bribery laws worldwide, and may result in criminal prosecution and/or civil fines.

LS&Co. is responsible for the actions of third parties where we may know that the Third Party will offer or make an unauthorized or inappropriate payment. Willful disregard (such as ignoring or failing to investigate warning signs) is no defense when faced with allegations of bribery or corruption. LS&Co. is obligated to take adequate steps to prevent bribery when hiring third parties/agents and could be liable for any bribe paid by any person "associated" with LS&Co. in order to obtain or retain business for the Company, or to obtain or retain a business advantage. This includes anyone who "performs a service" for LS&Co., not just official LS&Co. "employees."

LS&CO. and you, as an individual, can be held criminally liable for payments by Third Party agents, partners, contractors, consultants, and representatives. For this reason, you must pay special attention to all dealings with such parties.

8.1 Due Diligence

You are required to conduct a reasonable investigation, called "due diligence," into the background, reputation, and business capabilities of a Third Party before entering into a contract. Pay special attention to those Third Party organizations or individuals who may interact frequently with government officials. Also, if you operate in a high risk location, ensure your due diligence efforts are comprehensive and well documented. Seek assistance from the Legal and Compliance Departments if you require additional guidance.

Examples of a Third Party representing LS&Co. include, but are not limited to, the following:

- Obtaining required permits, licenses or other official documents (operating license, tax certificate, etc.) on behalf of LS&Co.

- Managing import or export requirements or deals directly with Customs Officials
- Communicating with any municipal agencies on behalf of LS&Co. (tax office, water department, etc.)
- Overseeing tax and accounting related services for LS&Co.
- Processing governmental papers, such as visas and work permits for LS&Co.

The Due Diligence Process consists of two (2) steps:

- **Step 1** involves the LS&Co. employee completing the **New Vendor Compliance Form** (available on Threads under the ABAC Policy). An affirmative answer to any of the three (3) questions on the **New Vendor Compliance Form** means that the vendor/Third Party must complete Step 2. All completed forms, regardless if Step 2 is required, should be returned to ethicscompliance@levi.com.
- **Step 2** involves the prospective Third Party completing the **ABAC Due Diligence Questionnaire** (available on Threads under the ABAC Policy) to help identify potential red flags that may warrant further due diligence or investigation. After the vendor completes the questionnaire, it should be returned to ethicscompliance@levi.com for further review. A copy of the due diligence file shall be maintained in the Legal Department for each party/entity with whom LS&Co. ultimately enters into a contract.

If you have any doubt whether the **ABAC Due Diligence Questionnaire** is required, please contact ethicscompliance@levi.com for assistance.

8.2 Compensation and Payments to Third Parties

Compensation to Third Parties must be commercially reasonable and commensurate with the tasks that they actually undertake. Contracts should generally provide fixed compensation for specific, identified tasks and should avoid large percentage-based commissions, retainers or “success” fees.

Payments to Third Parties must be made in accordance with the terms of their contracts; in particular, it is a violation of this policy to honor requests by Third Parties to vary the terms of contracts by:

- Increasing or decreasing agreed amounts on any invoice if there is no factual, documented basis; or
- Submitting multiple invoices if you suspect such invoices may be used in a manner contrary to LS&Co. standards, procedures or applicable laws or otherwise used improperly.

Contracts that provide for payments to parties other than the contracting party, or payments to countries other than the home country of the contracting party, must be approved in advance by Legal counsel, and the Global Compliance Team should be notified.

8.3 Contractual Obligations of Third Parties

Contracts must contain provisions requiring Third Parties to make certain representations and warranties and to comply with all relevant anti-bribery laws. All new vendor contract requests (except supply contracts to manufacture our branded products) must be made through the Contract Lifecycle Management (CLM) tool, Apttus. Leaders will not sign contracts unless they are first reviewed and approved within the CLM tool. To ensure that these provisions are contained in your contracts please consult your LS&Co. legal counsel and the contract management team at dICLMsupport@levi.com.

9.0 Record-Keeping

LS&Co. is required to accurately record information regarding all payments the company makes or receives in reasonable detail, including the amount of the payment, the recipient, and the purpose for the expenditure. You must ensure that LS&Co. has accurate and timely information with respect to the amount and ultimate recipient of contract payments, commissions, and other payments. You must also document the purpose, and maintain all necessary approvals for the transaction. Records must be complete and truthful and financial accounting recorded in accordance with Generally Accepted Accounting Principles (GAAP).

Any LS&Co. employee who creates a false or misleading entry, or fails to disclose payments or assets will be subject to immediate disciplinary action. If you learn of any false or misleading entries, or unrecorded payments, you should report it immediately to the Global Compliance Team.

10.0 Petty Cash and Restrictions on Reimbursement

LS&Co. will only reimburse goods, services, or other expenditures that are fully and properly supported by Third Party invoices or receipts. With the exception of normal and customary petty cash requirements, cash transactions in connection with LS&Co. business should be avoided.

11.0 Reporting

If you are aware of any employee, agent or third party who may be involved in activity which could be a violation this policy, immediately report your concerns to the Global Compliance Team. If you prefer to report anonymously (where permitted by law) you can utilize the LS&Co. Reportline accessible via Threads. LS&Co. strictly prohibits retaliation against anyone for raising or helping to address an anti-bribery or anti-corruption concern.

12.0 Contacting Legal and the Global Compliance Team

If you have a question or concern pertaining to this Policy or its requirements, consult a member of the Global Compliance Team at ethicscompliance@levi.com or reach out to your regional legal counsel (LSA, LSE, AMA) within the Legal Department.

Attachments Available Online on LS&Co. Intranet - THREADS

Attachment A: [Certification of Charitable Donation](#)

Attachment B: [ABAC Due Diligence Questionnaire](#)

Attachment C: [New Vendor Compliance Form](#)

Attachment D: [Annual Certification by Third Party](#)