

FOR IMMEDIATE RELEASE

**The World Bank Group's International Finance Corporation and Levi Strauss & Co.
Reward Garment Suppliers for Stronger Labor, Environment, Health and Safety
Performance**
First-of-its-kind program based on LS&Co.'s industry-leading supplier standards

Washington D.C. and San Francisco, Calif., November 4, 2014—IFC, a member of the World Bank Group, is working with Levi Strauss & Co. to provide financial incentives for garment suppliers in developing countries to upgrade environmental, health, safety and labor standards. This new supplier finance program was announced today at the ILO/IFC Better Work Buyers' Forum in New York City.

IFC's Global Trade Supplier Finance program adopts tiered pricing of short-term financing for garment suppliers with lower costs for those borrowers which score strong performance ratings under Levi Strauss & Co.'s environmental and social monitoring system. Specifically, this pioneering program will reward vendors that score higher on LS&Co.'s Terms of Engagement (TOE) assessments, which measure labor, health and safety, and environmental performance. The GTSF program will offer these vendors lower cost rates on working capital financing. The higher the vendor's TOE score, the more they will save.

"Levi Strauss & Co. believes vendors that score highly on our strict standards should be recognized and rewarded in ways that allow them to reinvest in their business and improve their sustainability performance. This innovative program provides financial incentives to our vendors who perform well on sustainability metrics," said David Love, Levi Strauss & Co. Chief Supply Chain Officer. "We applaud the IFC for establishing this program and look forward to partnering to make it a success on the ground."

Alzbeta Klein, IFC Director of Manufacturing, Agribusiness and Services said, "Our experience shows that strong environment and social management correlates with stronger financial performance. Levi Strauss & Co. is the first major international buyer to partner with a financial institution to offer its suppliers a direct financial incentive to improve compliance."

IFC provides financing to ready-made garment suppliers through its GTSF program, which provides working capital to suppliers backed by receivables from international buyers. Supplier finance is a scalable way for suppliers in emerging markets to access affordable financing for their receivables over a period defined by the terms of credit. Established in 2010, GTSF is a \$500 million multicurrency investment and advisory program that provides short-term finance to emerging-market suppliers and small and midsize exporters.

Globally, the textile, clothing and footwear industry employs about 60 million people, many of them young women, according to estimates by the International Labor Organization (ILO). IFC invests in this sector because it is a provider of formal jobs for low-skilled workers that can make an important contribution to poverty reduction in developing countries. IFC's support to the industry includes its engagement through the Better Work joint-venture program with the ILO. Better Work, operational since 2009, aims to improve both compliance with labor standards and competitiveness in global supply chains.

IFC and LS&Co. launched this initiative in partnership with GTNexus, a cloud-based business network and platform for global trade and supply chain management. The platform enables participants to operate against a core, real-time set of information across multiple supply chain functions. This optimizes the flow of goods, funds and trade information.

About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector. Working with private enterprises in about 100 countries, we use our capital, expertise, and influence to help eliminate extreme poverty and boost shared prosperity. In FY14, we provided more than \$22 billion in financing to improve lives in developing countries and tackle the most urgent challenges of development. For more information, visit www.ifc.org

About Levi Strauss & Co.

Levi Strauss & Co. is one of the world's largest brand name apparel companies and a global leader in jeanswear. The company designs and markets jeans, casual wear and related accessories for men, women and children under the Levi's®, Dockers®, Signature by Levi Strauss & Co.™, and Denizen® brands. Its products are sold in more than 110 countries worldwide through a combination of chain retailers, department stores, online sites, and a global footprint of approximately 2,600 retail stores and shop in shops. Levi Strauss & Co.'s reported fiscal 2013 net revenues were \$4.7 billion. For more information, go to <http://levistrauss.com>.

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