



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

February 8, 2022

Jodie M. Bourdet
Cooley LLP

Re: Levi Strauss & Co. (the "Company")
Incoming letter dated December 17, 2021

Dear Ms. Bourdet:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by People for the Ethical Treatment of Animals for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal urges the board to commission a report on the slaughter methods used to procure leather to determine whether they conform to the Company's animal welfare policy, and to address the risks presented by any incompatible sourcing and the Company's plans, if any, to mitigate these risks.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal transcends ordinary business matters.

Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>.

Sincerely,

Rule 14a-8 Review Team

cc: Jared Goodman
People for the Ethical Treatment of Animals



Jodie M. Bourdet
T: +1 415 693 2054
jbourdet@cooley.com

December 17, 2021

Via E-mail to shareholderproposals@sec.gov

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, NE
Washington, D.C. 20549

Re: Shareholder Proposal to Levi Strauss & Co.

Ladies and Gentlemen:

On behalf of Levi Strauss & Co. (the "*Company*"), we are submitting this letter pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), to notify the Securities and Exchange Commission (the "*Commission*") of the Company's intention to exclude from the proxy materials for its 2022 annual meeting of shareholders (the "*2022 Proxy Materials*") a shareholder proposal (the "*Proposal*") submitted by People for the Ethical Treatment of Animals (the "*Proponent*"). We also request confirmation that the staff of the Division of Corporation Finance (the "*Staff*") will not recommend enforcement action to the Commission if the Company omits the Proposal from the 2022 Proxy Materials for the reasons discussed below.

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008), we are emailing this letter to the Staff at shareholderproposals@sec.gov. In addition, we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of the Company's intent to omit the Proposal from the 2022 Proxy Materials. Likewise, we take this opportunity to inform the Proponent that if it elects to submit any correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be provided concurrently to the undersigned on behalf of the Company.

THE PROPOSAL

The Proposal and Supporting Statement (attached hereto as Exhibit A) provide in pertinent part as follows:

RESOLVED, Levi Strauss & Company pledged to work with humility and transparency to deliver meaningful progress. We urge the board, in order to fulfill this commitment with regard to the company's animal welfare policy, to commission a report on the slaughter methods used to procure leather to determine whether they conform to this policy. The report should also address the risks presented by any incompatible sourcing and the company's plans, if any, to mitigate these risks.

SUPPORTING STATEMENT: Levi Strauss & Company's animal welfare policy states that its suppliers are "expected to adhere to the internationally recognized industry best practices outlined by animal-welfare experts in support of the Five Domains of Animal Welfare: nutrition, physical environment, health, behavior and mental state." The fifth



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domain, mental state, is defined as ensuring conditions and treatment that avoid mental suffering.

Levi Strauss & Company encourages sourcing from Leather Working Group-certified tanneries and is “committed to only using leather and animal skins from sources that are responsibly managed to protect biodiversity and prevent deforestation.” But this doesn’t address animal welfare and, like the animal welfare policy, is merely aspirational.

In the interests of traceability, our company’s 2020 Sustainability Report includes an interactive map of supplier factories and mills. While these suppliers include manufacturers of leather goods, they do not include slaughterhouses, where animal welfare is of greatest concern. The Sustainability Report also fails to specify the slaughterhouse management and methods, and our company provides no evidence that it procures its leather from cattle who have freedom from fear and distress, as “expected” by the company.

Studies in animal sciences provide physiological evidence of elevated stress prior to and during slaughter through examination of muscle tissue, liver, adrenal gland, and urine samples. These studies document the causes of stress, including exposure to the elements during transport; deprivation of food and water during transport; tripping, falling, and bruising at poorly conditioned slaughterhouses; and improper or repeated stunning prior to slaughter, which is the most frequent cause of U.S. governmental enforcement actions.

Animals in the international leather industry are commonly transported long distances across national borders and international waters. Issues such as the pandemic have forced animals to endure even longer journeys and prolonged suffering. Animals are subject to disease, injury, and heat stress, during which they can literally cook from the inside, resulting in a mortality rate that can exceed 2%. Those who survive transport may be bludgeoned with a sledgehammer, stabbed in the throat while still conscious, or slaughtered via inept and protracted throat-slitting by unskilled workers wielding dull knives and finally even skinned alive.

Consumers around the world are prioritizing animal welfare and increasingly seeking vegan alternatives to leather because of its inherent cruelty and negative environmental impact. Our shareholders deserve transparency when it comes to leather sourcing and should have the opportunity to evaluate Levi Strauss & Company’s continued investment in this material.

Accordingly, we urge all shareholders to support this ethically and economically responsible resolution.



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BASIS FOR EXCLUSION

The Company hereby respectfully requests that the Staff concur in its view that the Company may exclude the Proposal from the 2022 Proxy Materials pursuant to Rule 14a-8(i)(7) because the subject matter of the Proposal directly concerns the Company's ordinary business operations.

ANALYSIS

A. Background

Rule 14a-8(i)(7) permits the exclusion of shareholder proposals dealing with matters relating to a company's "ordinary business operations." The Commission has stated that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." *Exchange Act Release No. 34-40018* (May 21, 1998) (the "1998 Exchange Act Release"). The term "ordinary business" in this context refers to "matters that are not necessarily 'ordinary' in the common meaning of the word, and is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations." *Id.* In the *1998 Exchange Act Release*, the Commission described the two "central considerations" for the ordinary business exclusion. The first, and relevant consideration here, is that certain tasks are "so fundamental to management's ability to run a company on a day-to-day basis" that they could not be subject to direct shareholder oversight. The second related to the "degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment."

Moreover, framing a proposal in the form of a request for a report does not change the nature of the proposal. The Staff has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the substance of the report is within the ordinary business of the issuer. *See Exchange Act Release No. 20091* (Aug. 16, 1983). In addition, the Staff has indicated that "[where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7)." *Johnson Controls, Inc.* (Oct. 26, 1999). Further, the Proposal's request that the Company address the specific risks "presented by any incompatible sourcing and the company's plans...to mitigate these risks" does not preclude exclusion if the underlying subject matter of the proposal is ordinary business. As the Staff indicated in Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("SLB 14E"), in evaluating shareholder proposals that request a risk assessment:

[R]ather than focusing on whether a proposal and supporting statement relate to the company engaging in an evaluation of risk, we will instead focus on the subject matter to which the risk pertains or that gives rise to the risk . . . [S]imilar to the way in which we analyze proposals asking for the preparation of a report, the formation of a committee or the inclusion of disclosure in a Commission-prescribed document—where we look to the underlying subject matter of the report, committee or disclosure to determine whether the proposal relates to ordinary business—we will consider whether the underlying subject matter of the risk evaluation involves a matter of ordinary business to the company.

Further, when examining whether a proposal may be excluded under the "ordinary business" standard, it is also critical to determine whether the proposal raises any significant social policy issue. If the proposal focuses on a "significant social policy issue," the proposal "generally would not be excludable, because the proposal would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." *Exchange Act Release No. 34-12999* (Nov.



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22, 1976) (the “1976 Exchange Act Release”). Conversely, a proposal that does not rise to the level of a “significant social policy issue,” but rather focuses on those tasks that are integral to management’s ability to run the day-to-day business of a company, may properly be excluded pursuant to Rule 14a-8(i)(7). *Id.* See also *Staff Legal Bulletin No. 14E* (Oct. 27, 2009) (“SLB 14E”) and *Staff Legal Bulletin No. 14L* (Nov. 3, 2021) (“SLB 14L”).

The Proposal and the Supporting Statement clearly focus on an integral part of the Company’s ordinary business operations as the Proposal relates to the Company’s decisions as to whether to offer particular products and product development, and therefore the Proposal may be excludable under Rule 14a-8(i)(7).

B. The Proposal is Excludable under Rule 14a-8(i)(7) Because the Thrust and Focus of the Proposal Addresses the Company’s Development and Sale of Particular Products

The Proposal is excludable pursuant to Rule 14a-8(i)(7) as relating to the Company’s ordinary business operations because the thrust and focus of the Proposal, as demonstrated by the Supporting Statement, is the development and sale of particular products by the Company.

As noted above, when evaluating whether a proposal may be excluded under Rule 14a-8 (i)(7), the Staff evaluates whether the underlying subject matter of the resolution and its supporting statement, taken as a whole, involves a matter of ordinary business to the company. Here, the Proposal purports to be focused on the humane treatment of animals, which the Staff has found in some cases to implicate a significant policy issue, but the Supporting Statement demonstrates that the principal thrust and focus of the Proposal concerns particular products—products containing leather—developed and offered for sale by the Company. In this regard, the Proposal is comparable to many other proposals that the Staff has concurred may be excluded under Rule 14a-8(i)(7), where the resolution addresses one topic but the supporting statements demonstrate that the proposal will operate as a referendum on ordinary business matters.

When evaluating whether facially neutral proposals are in fact “veiled attempts to conduct a shareholder referendum” on an ordinary business matter, the Staff has looked at the extent to which the ordinary business matter is addressed in the supporting statements. *The Home Depot, Inc.* (Mar. 18, 2011). For example, in the context of proposals addressing policies on charitable contributions, the Staff has consistently permitted exclusion under Rule 14a-8(i)(7) of facially neutral proposals if the supporting statements indicate that the proposal, in fact, would serve as a referendum on contributions to particular organizations, which is an ordinary business matter. Most recently, in *Starbucks Corp.* (Jan. 4, 2018), a facially neutral proposal requested that the company “consider issuing a semiannual report on the [c]ompany’s website . . . disclosing: the [c]ompany’s standards for choosing which organizations receive the Company’s assets in the form of charitable contributions.” Notwithstanding the facially neutral language of the proposed resolution, the Staff concurred with exclusion of the proposal under Rule 14a-8(i)(7) because the supporting statement included three sentences referring to specific organizations or groups. See also *Johnson & Johnson* (Feb. 12, 2007) (concurring with the exclusion under Rule 14a-8(i)(7) of a facially neutral proposal requesting that the company disclose all recipients of corporate charitable contributions where the proposal’s preamble and supporting statement made clear that the proposed policy was intended to specifically target the company’s support of Planned Parenthood and organizations that support same-sex marriage).

Just as in the proposals described above, the thrust and focus of the Proposal is on an ordinary business matter: the Company’s product development and sale of products containing leather. For example, the Proposal requests that the Company prepare a report “on the slaughter methods used to



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procure leather” and to “address the risks presented by any incompatible sourcing and the company’s plans, if any, to mitigate these risks.” However, the Supporting Statement then goes on to discuss the Company’s sourcing from the Leather Working Group and claims that “[c]onsumers around the world are prioritizing animal welfare and increasingly seeking vegan alternatives to leather because of its inherent cruelty and negative environmental impact. Our shareholders deserve transparency when it comes to leather sourcing and should have the opportunity to evaluate [the Company]’s continued investment in this material.” The underlying subject matter to be addressed by the requested report and the resultant procedures requested in the Proposal and Supporting Statement relate directly to the ordinary business matter of determining the particular products the Company should or should not develop and provide to its customers. Accordingly, the Supporting Statement demonstrates that the Proposal’s thrust and focus concerns specific products the Company develops and offers for sale, which demonstrates that the Proposal would operate as a referendum on the Company’s ordinary business operations and is therefore excludable under Rule 14a-8(i)(7).

It is well established in Staff precedent that a company’s decisions as to whether to offer particular products and services to its customers are precisely the kind of fundamental, day-to-day operational matters meant to be covered by the ordinary business operations exception under Rule 14a-8(i)(7). For example, in *Dillard’s, Inc.* (Feb. 27, 2012), the Staff concurred that a proposal “to develop a plan ... to phase out the sale of products containing certain animal fur could be excluded under Rule 14a-8(i)(7). *Dillard’s*, a retailer of products principally through a chain of several hundred department stores, argued that the proposal could be excluded consistent with prior Staff precedent because “[a]n integral part of [the retail] business is the selection of the products to be sold in its stores.” The Staff concurred with the exclusion of the proposal, noting that the proposal “relates to the products offered for sale by the company [and p]roposals concerning the sale of particular products are generally excludable under rule 14a- 8(i)(7).” Similar to the Proposal in *Dillard’s*, despite the form of the instant Proposal being framed as a request for the Company to report on “slaughter methods used to procure leather” the Proposal’s underlying subject matter and motive relates to the Proponent’s desire for the Company to discontinue the sale of leather products and the use of leather in its product development and seek alternative sourcing, such as “vegan” alternatives. Consistent with the result in *Dillard’s*, the Proposal relates to the development and products offered for sale by the Company, and therefore is excludable under Rule 14a-8(i)(7).

The Staff’s concurrence in *Dillard’s* is consistent with the Staff’s long-standing position on proposals that address the products and services a company offers to its customers. See, e.g., *Walgreens Boots Alliance, Inc.* (Nov. 7, 2016, *recon. denied* Nov. 22, 2016) (concurring in the omission under Rule 14a-8(i)(7) of a proposal that requested the company’s board to prepare a report assessing the financial risk facing the company based on its continued sales of tobacco products); *Amazon.com, Inc.* (Mar. 27, 2015) (concurring in the omission under Rule 14a-8(i)(7) of a proposal requesting that the company report on risks that it may face as a result of certain products it sells); *Papa John’s International, Inc.* (Feb. 13, 2015) (concurring in the omission under Rule 14a-8(i)(7) of a proposal requesting that the company expand its menu offerings to include vegan cheeses and vegan meats in order to advance animal welfare, reduce the company’s ecological footprint, expand healthier options, and meet growing demand for plant-based foods, noting in particular that “the proposal relates to the products offered for sale by the company and does not focus on a significant policy issue”); *Wal-Mart Stores, Inc.* (Mar. 20, 2014) (concurring in the omission under Rule 14a-8(i)(7) of a proposal requesting board oversight of determinations as to whether selling certain products that endanger public safety and well-being could impair the reputation of the company and/or would be offensive to family and community values, on the basis that the proposal related to “the products and services offered for sale by the company”), *aff’d and cited in Trinity Wall Street v. Wal-Mart Stores, Inc.*, 792 F.3d 323,327 (3d Cir. 2015); *Wells Fargo & Co.* (Jan. 28, 2013, *recon. denied* Mar. 4, 2013) (concurring in the omission under Rule 14a-8(i)(7) of a proposal requesting that the company prepare a report discussing the adequacy of the company’s policies in addressing the social and financial impacts of



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the company's direct deposit advance lending service, noting in particular that "the proposal relates to the products and services offered for sale by the company"); *Pepeco Holdings, Inc.* (Feb. 18, 2011) (concurring in the omission under Rule 14a-8(i)(7) of a proposal that urged the company to pursue the market for solar technology and noting that "the proposal relates to the products and services offered for sale by the company"); *Wal-Mart Stores, Inc.* (Mar. 30, 2010) (concurring in the omission under Rule 14a-8(i)(7) of a proposal requiring that all company stores stock certain amounts of locally produced and packaged food as concerning "the sale of particular products"); *Wal-Mart Stores, Inc.* (Mar. 26, 2010) (concurring in the omission under Rule 14a-8(i)(7) of a proposal "to adopt a policy requiring all products and services offered for sale in the United States of America by Wal-Mart and Sam's Club stores ... be manufactured or produced in the United States of America," and noting that "the proposal relates to the products and services offered for sale by the company"); *Lowe's Cos., Inc.* (Feb. 1, 2008) (concurring in the omission under Rule 14a-8(i)(7) of a proposal encouraging the company to end the sale of glue traps as relating to "the sale of a particular product"); *Marriott International, Inc.* (Feb. 13, 2004) (concurring in the omission under Rule 14a-8(i)(7) of a proposal requesting that the company eliminate sexually explicit content from its hotel gift shops and television programming as relating to "the sale and display of a particular product and the nature, content and presentation of programming").

As one of the world's largest brand-name apparel companies that designs, markets and sells products that include jeans, casual and dress pants, tops, shorts, skirts, jackets, footwear and related accessories for men, women and children around the world, it is a fundamental responsibility of the Company and its management to select which products to sell and to define the practices related to the sourcing of such products. As noted in the Company's 2021 Annual Report on Form 10-K¹, the Company uses numerous independent contract manufacturers located throughout the world for the production and finishing of its garment products. This includes implementing a number of sourcing practices that includes requiring all third-party vendors who manufacture or finish products for the Company to contribute to the Company's sustainability goals and to follow all established policies and guidelines. The process of developing a wide-range of merchandise to be offered through the Company's online and other customer channels, the Company must consider a myriad of factors when making decisions on what products to develop and sell, including, for example, customer tastes and preferences and market opportunities, as well as applicable laws, regulations and industry standards and vendor and sourcing compliance practices. Balancing such interests is a complex issue, and is "so fundamental to management's ability to run [the C]ompany on a day-to-day basis that [it] could not, as a practical matter, be subject to direct shareholder oversight." See the *1998 Exchange Act Release*.

Accordingly, because the thrust and focus of the Proposal seek to have the Company discontinue the development and sale of specific products that contain leather, the Proposal may be omitted pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations because it concerns the development and sale of particular products.

C. *The Proposal Does Not Focus on Issues that Transcend the Ordinary Business Matters Upon Which the Proposal Focuses*

As noted in the 1976 Exchange Act Release, SLB 14E and SLB 14L, a proposal generally will not be excludable under Rule 14a-8(i)(7) if the underlying subject matter transcends the day-to-day business of the company and raises policy issues so significant that the proposal would be appropriate for a shareholder vote. The well-established precedent set forth above demonstrates that the Proposal addresses ordinary business matters and therefore is excludable under Rule 14a-8(i)(7). While the Staff

¹ See Levi Strauss & Co. 2021 Annual Report on Form 10-K, *available* here: <https://www.sec.gov/ix?doc=/Archives/edgar/data/94845/000009484521000009/lvis-20201129.htm>.



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stated in the 1998 Exchange Act Release that proposals “focusing on sufficiently significant social policy issues . . . generally would not be considered to be excludable,” the Proposal at most touches upon (but does not focus on) the significant policy issue of the humane treatment of animals. Therefore, because the Proposal encompasses ordinary business matters, the Proposal properly can be excluded under Rule 14a-8(i)(7).

For example, in *PetSmart, Inc.* (Mar. 24, 2011), the proposal requested that the board require its suppliers to certify they had not violated “the Animal Welfare Act, the Lacey Act, or any state law equivalents,” the principal purpose of which related to preventing animal cruelty. The Staff granted no-action relief under Rule 14a-8(i)(7) and stated, “[a]lthough the humane treatment of animals is a significant policy issue, we note your view that the scope of the laws covered by the proposal is ‘fairly broad in nature from serious violations such as animal abuse to violations of administrative matters such as record keeping.’” Thus, because the shareholder proposal encompassed ordinary business matters, it was excludable under Rule 14a-8(i)(7) even though it mentioned a significant policy issue. See also *Mattel, Inc.* (Feb. 10, 2012) (concurring with the exclusion of a proposal that requested the company require its suppliers publish a report detailing their compliance with the International Council of Toy Industries Code of Business Practices, noting that the ICTJ encompasses “several topics that relate to . . . ordinary business operations and are not significant policy issues”); *JPMorgan Chase & Co.* (Mar. 12, 2010) (concurring with the exclusion of a proposal that requested the adoption of a policy banning future financing of companies engaged in a particular practice that impacted the environment because the proposal addressed “matters beyond the environmental impact of JPMorgan Chase’s project finance decisions”); *Apache Corp.* (Mar. 5, 2008) (concurring with the exclusion of a proposal requesting the implementation of equal employment opportunity policies based on certain principles and noting that “some of the principles relate to Apache’s ordinary business operations”); *General Electric Co.* (Feb. 10, 2000) (concurring with the exclusion of a proposal relating to the accounting and use of funds for the company’s executive compensation program because it both touched upon the significant policy issue of senior executive compensation, and involved the ordinary business matter of choice of accounting method).

In addition, the Staff has consistently concurred with the exclusion of shareholder proposals relating to the sales of specific products where the proposal addressed the humane treatment of animals. See, e.g., *Amazon.com, Inc.* (Mar. 11, 2016) (concurring with the exclusion of a proposal asking the board to prepare “a report addressing animal cruelty in the supply chain . . . [including] the reputational and financial risks associated [there]with” as “relating to Amazon’s ordinary business operations” because “the proposal relates to the products and services offered for sale by the company”); *Amazon.com, Inc.* (Mar. 27, 2015) (concurring with the exclusion of a proposal requesting disclosure of reputational and financial risks related to the treatment of animals in the company’s supply chain as “relating to Amazon’s ordinary business operations” because it “relates to the products and services offered for sale by the company”).

Here, the Proposal refers to the Company’s animal welfare policy and alludes to humane treatment of animals. However, while the Proposal at most touches on a significant policy issue (the humane treatment of animals), the Proposal’s express text demonstrates that its main focus is elsewhere—on assessment and management of the potential risks surrounding the Company’s sourcing of leather and the subsequent sale of such leather products. Further, the Proponent has long been focused on changing the Company’s sourcing materials in certain products to “vegan materials” as evidenced by its public campaign slogans to “Urge Levi’s to use Vegan Leather.”² The Company recognizes the importance of working with its suppliers to implement practices that protect and improve the health and welfare of animals in its supply

² <https://www.peta.org/blog/peta-levis-shareholder/>.



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chain.³ That said, the assessment and management of the Company's specific supply chain and the subsequent sale of specific products of the Company implicates central considerations for the Company's management of its business operations. Reviewing and addressing those matters is a complex process and is "so fundamental to management's ability to run [the Company] on a day-to-day basis that [it] could not, as practical matter, be subject to direct shareholder oversight." *See the 1998 Exchange Act Release*. Accordingly, because the Proposal concerns ordinary business matters and does not focus on a significant policy issue, the Proposal may be excluded pursuant to Rule 14a-8(i)(7).

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that the Company may exclude the Proposal from the 2022 Proxy Materials. Should the Staff disagree with the conclusions set forth in this letter, or should you require any additional information in support of our position, we would welcome the opportunity to discuss these matters with you as you prepare your response. Any such correspondence should be sent to Jodie Bourdet of Cooley LLP at jbordet@cooley.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (415) 693-2054.

Very truly yours,

A handwritten signature in black ink that reads "Jodie Bourdet".

Jodie Bourdet

cc:

Seth Jaffe, Levi Strauss & Co.
Nanci Prado, Levi Strauss & Co.
Jared Goodman, People for the Ethical Treatment of Animals
Eric Jensen, Cooley LLP
Natalie Karam, Cooley LLP
Reid Hooper, Cooley LLP

³ See Levi Strauss & Co. Animal Welfare Policy, available at: https://www.levistrauss.com/wp-content/uploads/2021/06/LSCo_Animal_Welfare_Policy.pdf.

Exhibit A

Cover Letter and Proposal



November 2, 2021

Blair Markovic
Corporate Secretary
Levi Strauss & Co.
1155 Battery Street
San Francisco, CA 94111

Via UPS Next Day Air Saver

Dear Ms. Markovic:

Attached to this letter is a shareholder proposal submitted for inclusion in the proxy statement for the 2022 annual meeting. Also enclosed is a letter from People for the Ethical Treatment of Animals' (PETA) brokerage firm, RBC Wealth Management, confirming ownership of 380 shares of Levi Strauss & Co. common stock, 175 of which have been held since 3/21/19. PETA has held at least \$2,000 worth of common stock continuously and intends to hold at least this amount through and including the date of the 2022 shareholders meeting.

PETA is available to meet in person or via teleconference within 10-30 calendar days from the date of this letter, including the following in PST:

- 11/16 & 11/18: 1-4 p.m.
- 11/22 & 11/23: 1-4 p.m.
- 11/29: 9-11 a.m. & 1-4 p.m.
- 12/1: 9 a.m-5 p.m.

If there are any issues with this proposal being included in the proxy statement or if you need any further information, please contact PETA's authorized representative Jared Goodman at 2154 W. Sunset Blvd., Los Angeles, CA 90026, +1 (323) 210-2266, or JaredG@PetaF.org.

Sincerely,

Carrie Edwards, Executive Assistant
PETA Corporate Responsibility

Enclosures: 2022 Shareholder Proposal
RBC Wealth Management letter

PEOPLE FOR
THE ETHICAL
TREATMENT
OF ANIMALS

Washington

1536 16th St. N.W.
Washington, DC 20036
202-483-PETA

Los Angeles

2154 W. Sunset Blvd.
Los Angeles, CA 90026
323-644-PETA

Norfolk

501 Front St.
Norfolk, VA 23510
757-622-PETA

Info@peta.org
PETA.org

Affiliates:

- PETA Asia
- PETA India
- PETA France
- PETA Australia
- PETA Germany
- PETA Netherlands
- PETA Foundation (U.K.)



**Wealth
Management**

200 Park Avenue, 2nd Floor
FLORHAM PARK, NJ 07932

November 2, 2021

Tracy Reiman
Executive Vice President
People for the Ethical Treatment of Animals
501 Front Street
Norfolk, VA 23510

Re: Verification of Shareholder Ownership in Levi Strauss & Co.

Dear Ms. Reiman,

This letter verifies that People for the Ethical Treatment of Animals (PETA) is the beneficial owner of 380 shares of Levi Strauss & Co. common stock, 175 of which have been continuously held since March 21, 2019. PETA has continuously held at least \$2,000.00 of voting shares of the company's securities for at least one year as of January 4, 2021, and has continuously maintained a minimum investment of at least \$2,000 of such securities from January 4, 2021 through the date of this letter.

Should you have any questions or require additional information, please contact me at (408) 947-3322.

Sincerely,

Jenilee Hill, APP
Senior Registered Client Associate
RBC Wealth Management

Investment and insurance products: • Not insured by the FDIC or any other federal government agency
• Not a deposit of, or guaranteed by, the bank or an affiliate of the bank • May lose value

RESOLVED:

Levi Strauss & Company pledged to work with humility and transparency to deliver meaningful progress. We urge the board, in order to fulfill this commitment with regard to the company's animal welfare policy, to commission a report on the slaughter methods used to procure leather to determine whether they conform to this policy. The report should also address the risks presented by any incompatible sourcing and the company's plans, if any, to mitigate these risks.

SUPPORTING STATEMENT:

Levi Strauss & Company's animal welfare policy states that its suppliers are "expected to adhere to the internationally recognized industry best practices outlined by animal-welfare experts in support of the Five Domains of Animal Welfare: nutrition, physical environment, health, behavior and mental state." The fifth domain, mental state, is defined as ensuring conditions and treatment that avoid mental suffering.

Levi Strauss & Company encourages sourcing from Leather Working Group-certified tanneries and is "committed to only using leather and animal skins from sources that are responsibly managed to protect biodiversity and prevent deforestation." But this doesn't address animal welfare and, like the animal welfare policy, is merely aspirational.

In the interests of traceability, our company's 2020 Sustainability Report includes an interactive map of supplier factories and mills. While these suppliers include manufacturers of leather goods, they do not include slaughterhouses, where animal welfare is of greatest concern. The Sustainability Report also fails to specify the slaughterhouse management and methods, and our company provides no evidence that it procures its leather from cattle who have freedom from fear and distress, as "expected" by the company.

Studies in animal sciences provide physiological evidence of elevated stress prior to and during slaughter through examination of muscle tissue, liver, adrenal gland, and urine samples. These studies document the causes of stress, including exposure to the elements during transport; deprivation of food and water during transport; tripping, falling, and bruising at poorly conditioned slaughterhouses; and improper or repeated stunning prior to slaughter, which is the most frequent cause of U.S. governmental enforcement actions.

Animals in the international leather industry are commonly transported long distances across national borders and international waters. Issues such as the pandemic have forced animals to endure even longer journeys and prolonged suffering. Animals are subject to disease, injury, and heat stress, during which they can literally cook from the inside, resulting in a mortality rate that can exceed 2%. Those who survive transport may be bludgeoned with a sledgehammer, stabbed in the throat while still conscious, or slaughtered via inept and protracted throat-slitting by unskilled workers wielding dull knives and finally even skinned alive.

Consumers around the world are prioritizing animal welfare and increasingly seeking vegan alternatives to leather because of its inherent cruelty and negative environmental impact. Our shareholders deserve transparency when it comes to leather sourcing and should have the opportunity to evaluate Levi Strauss & Company's continued investment in this material.

Accordingly, we urge all shareholders to support this ethically and economically responsible resolution.

PEOPLE FOR
THE ETHICAL
TREATMENT
OF ANIMALS
FOUNDATION

January 10, 2022

Via e-mail

Office of Chief Counsel
Division of Corporate Finance
Securities and Exchange Commission
shareholderproposals@sec.gov

Re: Levi Strauss & Co. 2022 Annual Meeting Shareholder
Proposal Submitted by People for the Ethical Treatment of
Animals

Dear Sir or Madam:

I am writing on behalf of People for the Ethical Treatment of Animals (PETA) and pursuant Rule 14a-8(k) in response to Levi Strauss & Co.'s (Levi) request that the Staff of the Division of Corporation Finance (Staff) of the Securities and Exchange Commission (Commission) concur with its view that it may properly exclude PETA's shareholder resolution and supporting statement (Proposal) from the proxy materials to be distributed by Levi in connection with its 2022 annual shareholders meeting.

As discussed below, Levi's request for a no-action letter should be denied because the only ground the Company asserts to support its requested relief fails: the Proposal does not deal with a matter relating to the company's ordinary business operations because it does not focus on an issue "fundamental to management's ability to run a company on a day-to-day basis." *See* Rule 14a-8(i)(7); Release No. 34-40018 (May 21, 1998). Furthermore, the Proposal transcends the Company's ordinary business operations by focusing on the significant social policy issue of animal welfare. *See* Rule 14a-8(i)(7). Levi's arguments mischaracterize the nature of the Proposal and ignore important factors that distinguish the decisions it cites from the situation at hand.

I. Background

PETA's resolution "urge[s] the board, in order to fulfill [Levi's] commitment[s] with regard to the company's animal welfare policy, to commission a report on the slaughter methods used to procure leather to determine whether they conform to [the Company's]

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PETA FOUNDATION IS AN OPERATING
NAME OF THE FOUNDATION TO
SUPPORT ANIMAL PROTECTION.

ENTITIES:

- PETA U.S.
- PETA Asia
- PETA India
- PETA France
- PETA Australia
- PETA Germany
- PETA Switzerland
- PETA Netherlands
- PETA Foundation (U.K.)

policy.” The resolution states the “report should also address the risks presented by any incompatible sourcing and the company’s plans, if any, to mitigate these risks.”

The supporting statement goes on to discuss Levi’s animal welfare policy, which states that its suppliers are “expected to adhere to the internationally recognized industry practices outlined by animal-welfare experts in support of the Five Domains of Animal Welfare: nutrition, physical environment, health, behavior, and mental state.” The supporting statement points out that the Company’s Sustainability Report fails to include information about the slaughterhouses from which Levi procures leather, such as the slaughterhouses’ management and methods, and so it is impossible to tell whether the Company is adhering to its own animal welfare policy when sourcing leather.

II. The Proposal May Not Be Excluded Pursuant to Rule 14a-8(i)(7)

Rule 14a-8(i)(7) provides that a company may exclude a proposal “[i]f the proposal deals with a matter relating to the company’s ordinary business operations.” Only “business matters that are mundane in nature and do not involve any substantial policy” considerations may be omitted under this exemption. Adoption of Amendments Relating to Proposals by Security Holders, 41 Fed. Reg. 52,994, 52,998 (1976). The Commission has explained that the policy underlying this rule rests on two central considerations. The first consideration “relates to the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which stockholders, as a group, would not be in a position to make an informed judgment.” Release No. 34-40018 (May 21, 1998).

Second, and the only prong that Levi argues as a basis for exclusion, “certain tasks are so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” *Id.* The Commission has stated and repeatedly found since that “proposals relating to such matters but focusing on sufficiently significant social policy issues ... generally would not be considered to be excludable, because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” *Id.* In Staff Legal Bulletin No. 14H, the agency provided further guidance on the significant policy exception, reasoning:

[P]roposals focusing on a significant policy issue are not excludable under the ordinary business exception “*because* the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” Thus, a proposal may transcend a company’s ordinary business operations even if the significant policy issue relates to the “nitty-gritty of its core business.”

SLB No. 14H (citing Release No. 34-40018). “In making this determination, the staff will consider whether the proposal raises issues with a broad societal impact, such that they transcend the ordinary business of the company.” SLB No. 14L. Also pursuant to this exception, “[t]he Division has noted many times that the presence of widespread public debate regarding an issue is among the factors to be considered in determining whether proposals concerning that issue ‘transcend the day-to-day business matters.’” SLB No. 14A.

A. The Proposal does not implicate the ordinary business exception.

The Proposal does not implicate Rule 14a-8(i)(7) because it does not involve issues “fundamental to management’s ability to run a company on a day-to-day basis.” Rather, the Proposal simply requests a report about whether the Company’s sourcing practices conform to the Company’s stated animal welfare policy. In apparent acknowledgment of this fact, the Company mischaracterizes the Proposal in an effort to fit it within the ordinary business exception. As discussed further in Section II.B. below, Levi’s remarkably asserts that the “thrust and focus” of the Proposal is the ordinary business matter of “determining the particular products the Company should or should not develop and provide to its customers” despite the Proposal’s explicit focus on the humane treatment of animals in its existing supply chain.

Moreover, Levi cannot pronounce an animal welfare policy (from which the Company’s image and reputation could benefit among its customers) and then refuse a proposal that simply inquires into whether the Company’s practices are compliant with its own policy. The Commission has found on several occasions that proposals seeking to uncover whether a company abides by its own policies could not be excluded. For instance, the Commission declined to issue no-action relief pursuant to rule 14a-8(i)(7) concerning a proposal to commission a study of “any material risks of continuing operations without a company-wide animal welfare policy or restrictions on animal-sourced products associated with animal cruelty” where the company had issued statements that it would adhere to certain ethical values regarding its supply chain. *TJX Companies, Inc.* (Apr. 9, 2020).

Although decided in regards to a different basis for exclusion, other decisions reflect the Commission’s consistent refusal to grant no-action relief regarding proposals seeking to determine if a company adheres to its own policies. For instance, the Commission decided not to issue no-action relief for a proposal requiring the company to adopt available non-animal methods for testing and training where the company had in place a policy requiring this already but it appeared the company failed to implement this policy consistently. *Johnson & Johnson* (Feb. 4, 2011). Likewise, in *Wal-Mart Stores, Inc.* (Mar. 29, 2011), the Commission found that the company could not exclude a proposal requiring the company’s suppliers publish independently verifiable annual sustainability reports where “the Proposal’s underlying concern [was] ... the gap between company policies and the actual implementation of such policies in a company’s supply chain.” Similarly, for *Chevron Corp.* (Mar. 22, 2008), the Commission declined to issue no-action relief for a proposal requesting that the company adopt a comprehensive, transparent, verifiable human rights policy where, although the company had a “paper policy,” the company allegedly had not implemented it. Finally, in another decision, the Commission found that the company could not exclude a proposal requesting a report about the company’s vendor standards pertaining to reducing supply chain environmental impacts where the company had included policies concerning suppliers’ environmental impacts on its website, as the company’s “public disclosures [did not] compare favorably with the guidelines of the proposal.” *Hanesbrands Inc.* (Jan. 13, 2012).

Key aspects of the decisions Levi invokes in support of its argument that the ordinary business exception applies are distinguishable from PETA’s Proposal here. For instance, several of the

cases to which Levi cites involved proposals to companies that are mainly retailers, some of which offer hundreds or thousands of products made by other companies, and the proposals at issue dealt with particular items these companies stocked. In contrast, here, Levi is mainly a manufacturer that makes its own products to distribute to other retailers, and the Proposal inquires after the methods used to procure certain materials for those products. *See Dillard's, Inc.* (Feb. 27, 2012); *Lowe's Companies, Inc.* (Feb. 1, 2008); *Wal-Mart Stores, Inc.* (Mar. 30, 2010); *Wal-Mart Stores, Inc.* (Mar. 26, 2010); *Amazon.com, Inc.* (Mar. 11, 2016); *Amazon.com, Inc.* (Mar. 27, 2015); *Papa John's International, Inc.* (Feb. 13, 2015) (asking the board to expand menu options to include vegan cheeses and vegan meats); *Marriott International, Inc.* (Feb. 13, 2004) (asking the company, in its gift shops and on pay-per-view, to prohibit the sale of books, videos, magazines and other media that includes sexually explicit content); *Pepco Holdings, Inc.* (Feb. 18, 2011) (asking the company to include solar power among its energy offerings).

B. The Proposal raises a significant social policy issue that transcends day-to-day business matters.

Even if PETA's Proposal implicates facets of Levi's day-to-day business, its focus on the significant social policy of animal welfare means the Proposal transcends these "nitty-gritty" matters and raises policy issues which, as the Commission has repeatedly found, are suitable for a shareholder vote.

PETA's Proposal clearly focuses on the humane treatment of animals. The Proposal's very foundation is Levi's own animal welfare policy, and its purpose is to request a report with more information on the slaughter methods Levi's suppliers use to procure leather, and whether these methods adhere to the Company's policy. The Proposal's supporting statement points out that, although Levi has disclosed some information about ameliorating the environmental effects of using leather, it has not specifically addressed the animal welfare effects, nor has it provided information about the slaughterhouses the Company uses, as opposed to the leather manufacturers it partners with. The supporting statement provides a summary of the physiological evidence of stress animals commonly experience during the slaughter process, and calls into question whether the techniques Levi's suppliers use comply with the Company's animal welfare policy, which includes avoiding mental suffering on the part of animals.

From this, Levi remarkably argues that the Proposal "at most touches upon" the policy issue of the humane treatment of animals, and claims that the actual "thrust and focus of the Proposal . . . is the development and sale of particular products by the Company." The Company's argument mischaracterizes PETA's Proposal in a transparent attempt to rely on entirely inapposite prior agency decisions. Levi's contention turns upon a single sentence in the Proposal that states that "[c]onsumers around the world are prioritizing animal welfare" and, in light of this and the inhumane slaughter practices often associated with leather manufacturing, consumers are "increasingly seeking vegan alternatives to leather." This sentence obviously demonstrates the importance of Levi's compliance with its animal welfare policy to consumers. Yet Levi imbues this sentence with meaning beyond its plain language, asserting that the Proposal is actually asking the Company to discontinue the sale of leather products. This sentence does not transmogrify the purpose of the Proposal from animal welfare to banning the sale of a particular product.

Not only does Levi's cherry-picking disproportionately amplify the importance of a single sentence taken out of context to the point where it changes the meaning of the rest of the Proposal, it also misses the fact that the information in this sentence actually *supports that the Proposal is about a significant public policy issue*. The fact that consumers are increasingly prioritizing animal welfare when making purchasing decisions and may select vegan options when the particular processes involved in producing a product do not comport with animal welfare standards shows humane treatment of animals is a topic of widespread public debate, a factor the Commission considers when determining whether a proposal transcends day-to-day business matters. *See* SLB No. 14A. Even assuming that Levi was correct in maintaining that the Proposal is excludable because it relates to the development of products offered for sale by the Company, the Commission has clearly explained that this alone is not enough to negate the fact that a proposal centers on a significant policy issue. SLB No. 14H (citing Release No. 34-40018) ("Thus, a proposal may transcend a company's ordinary business operations even if the significant policy issue relates to the 'nitty-gritty of its core business.'").

Furthermore, PETA's Proposal is similar to others that the Commission has concluded go beyond the daily business of a company and focus on the significant policy issue of animal welfare. For instance, regarding a shareholder proposal that went beyond what PETA's proposal's aim is here and asked the company at issue to enact a policy banning the acquisition and sale of fur by the company in its products, the Commission concluded it could not concur with the company's view that the proposal was excludable pursuant to rule 14a-8(i)(7). *See Coach, Inc.* (Aug. 19, 2010). The Commission noted that "although the proposal relates to the acquisition and sale of fur products, it focuses on the significant policy issue of the humane treatment of animals." *Id.* Similarly, the Commission decided another proposal that directly affected the components of the products the company would sell could not be excluded under rule 14a-8(i)(7). *See Bob Evans Farms, Inc.* (June 6, 2011). Although the proposal sought to phase in the use of cage-free eggs in the company's food, the Commission found that the proposal "focus[ed] on the significant policy issue of the humane treatment of animals" and could not be omitted from the proxy materials. *Id.* In a case comparable to PETA's Proposal to Levi, the Commission also declined to issue no-action relief regarding a proposal that sought to have a company release an annual report disclosing its animal testing policy and whether the company had abided by that policy. *See Revlon, Inc.* (Mar. 18, 2014). Again, the Commission concluded that because the proposal focused on the significant issue of animal welfare, it could not concur with the company's view that the proposal should be excluded.

The decisions Levi relies upon to support its contention that PETA's proposal "touches upon (but does not focus on)" a significant policy issue that transcends ordinary business matters are similarly immaterial to the proposal at issue here. For example, several of these proposals, while relating to a significant policy issue, also encompassed topics that were not considered significant policy issues. *See PetSmart, Inc.* (Mar. 24, 2011) (concurring that a proposal that would require suppliers to verify they had not violated several animal welfare laws be excluded because these laws were "fairly broad in nature" and included "administrative matters such as recordkeeping"); *Mattel, Inc.* (Feb. 10, 2012) (concurring with the company that it may exclude a proposal that would have required an annual report on the company's suppliers' compliance with the ICTI Code of Business Practices, which also included criteria for overall safety and

workplace conditions); *General Electric Co.* (Feb. 10, 2000) (concurring with the exclusion of a proposal relating to the accounting and use of funds for the company’s executive compensation program because although it dealt with the significant policy issue of senior executive compensation, it also involved the ordinary business matter of choice of accounting method); *JPMorgan Chase & Co.* (Mar. 12, 2010) (concurring in the exclusion of a proposal requesting a report assessing the adoption of a policy barring future financing by the company of other companies involved in coal mining); *Apache Corp.* (Mar. 5, 2008) (concurring in the exclusion of a proposal that would have affected the company’s advertising and marketing decisions, the sale of particular products, and the company’s charitable giving, stating that “*some of the[se] principals* relate to [the company’s] ordinary business operations”) (emphasis added).

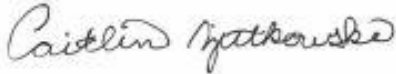
In stark contrast, PETA’s Proposal relates exclusively to the policy issue of the humane treatment of animals—namely, the treatment of cows in Levi’s supply chain—and obtaining information to verify that the Company is complying with its self-imposed policies. It does not also encompass ordinary business matters like record-keeping, workplace safety, accounting methods, or what projects the company may finance based on standards the company has not claimed to abide by.

III. Conclusion

We respectfully request that the Staff decline to issue no-action relief to Levi and inform the Company that it may not omit the Proposal from its proxy materials.

Thank you.

Sincerely,



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January 28, 2022

Via E-mail to shareholderproposals@sec.gov

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, NE
Washington, D.C. 20549

Re: Shareholder Proposal to Levi Strauss & Co.

Ladies and Gentlemen:

On behalf of Levi Strauss & Co. (the “*Company*”), we refer to our letter dated December 17, 2021 (the “*No-Action Request*”), pursuant to which we requested that the staff of the Division of Corporation Finance (the “*Staff*”) of the Securities and Exchange Commission (the “*Commission*”) concur with the Company that the shareholder proposal and supporting statement (the “*Proposal*”) submitted by People for the Ethical Treatment of Animals (the “*Proponent*”) may be excluded from the proxy materials for the Company’s 2022 annual meeting of shareholders (the “*2022 Proxy Materials*”).

We are responding to the letter submitted by the Proponent, dated January 10, 2022 (the “*Proponent’s Response*”), and this letter supplements the No-Action Request. In accordance with Rule 14a-8(j) of the Securities Exchange Act of 1934 (the “*Exchange Act*”), a copy of this letter is also being sent to the Proponent.

The Proposal May Be Omitted Under Rule 14a-8(i)(7) Because the Subject Matter of the Proposal Directly Concerns the Company’s Ordinary Business Operations and the Proposal does not Focus on Issues that Transcend the Ordinary Business Matters Upon Which the Proposal Focuses.

As described below and in the No-Action Request, because the Proposal deals with matters relating to the Company’s ordinary business operations, the Proposal is excludable from the 2022 Proxy Materials under Rule 14a-8(i)(7). The Proponent’s Response argues that the Proposal should not be excluded under Rule 14a-8(i)(7) because the Proposal does not implicate Rule 14a-8(i)(7) because it does not involve issues “fundamental to management’s ability to run a company on a day-to-day basis.” Rather, the Proponent states that the Proposal’s focus is on the Company preparing a report “about whether the Company’s sourcing practices conform to



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the Company's stated animal welfare policy." We disagree. As discussed in the No-Action Request, and further described below, the thrust and focus of the Proposal is the ordinary business matter of determining the particular products the Company should or should not develop and provide to its customers.

The Proposal's express text demonstrates that its main focus is on the assessment and management of the potential risks surrounding the Company's sourcing of leather and the subsequent sale of such leather products. For example, the Proposal requests that the Company prepare a report "on the slaughter methods used to procure leather" and to "address the risks presented by any incompatible sourcing and the company's plans, if any, to mitigate these risks." However, the Supporting Statement then goes on to discuss the Company's sourcing from the Leather Working Group and claims that "[c]onsumers around the world are prioritizing animal welfare and increasingly seeking vegan alternatives to leather because of its inherent cruelty and negative environmental impact. Our shareholders deserve transparency when it comes to leather sourcing and should have the opportunity to evaluate [the Company]'s continued investment in this material."

As noted in the No-Action Request, the Proponent has long been focused on changing the Company's sourcing materials in certain products to "vegan materials" as evidenced by its public campaign slogans to "Urge Levi's to use Vegan Leather."¹ In addition, the Proponent has consistently engaged with the Company on the issue of the Company's use of leather patches for its products. For example, over the past three fiscal years, the Company has received questions from the Proponent during its annual meetings of shareholders specifically asking the Company about the use of leather patches in its products and requesting the Company to cease using leather and begin looking for vegan alternatives. In response to such questions from the Proponent at its shareholder meetings, the Company has consistently explained that it is committed to sourcing all materials used in its products in a responsible and environmentally sustainable manner, including the relatively minimal amount of animal fibers actually sourced as raw materials by the Company for its products. As disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, the principal fibers used in the majority of the Company's products include cotton, synthetics and man-made cellulose.² In fact, in fiscal year 2021, less than 1% of fibers used in the sourcing of the Company's products were animal fibers, with such small amount being sourced consistent with best practices in animal welfare and environmental stewardship.

Further, prior to submitting the No-Action Request, on December 9, 2021, the Company met with the Proponent to discuss the Proposal. During such meeting, the Company noted the Company's broad commitment to sustainability, with animal welfare being one component. In addition, the Company again explained to the Proponent that the principal fibers used in the

¹ <https://www.peta.org/blog/peta-levis-shareholder/>.

² See Levi Strauss & Co., Inc. 2022 Annual Report on Form 10-K available here: <https://www.sec.gov/ix?doc=/Archives/edgar/data/94845/000009484522000010/lvis-20211128.htm>.



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majority of the Company's products include materials other than leather. In response to the Company's explanations surrounding its current minimal use of animal fibers, such as leather, in the sourcing of its products, the Proponent did not have specific questions regarding the Company's Animal Welfare Policy or the implementation of any of the provisions of such policy. Rather, and consistent with prior engagements with the Proponent as described above, the focus of the meeting was about the Company's use of leather in its products. During the meeting on December 9, the Proponent specifically indicated to the Company that it should cease using leather and focus on vegan alternatives.

Accordingly, while the Proposal at most touches on a significant policy issue (the humane treatment of animals), it is evident that the primary focus of the Proposal is to continue pushing forward the Proponent's primary cause with respect to its engagement with the Company, which is to cause the Company to ultimately cease its use of leather in any of its products. The continued engagement with the Company on this issue over the years and the public campaigns put forward by the Proponent specifically urging the Company to use vegan alternatives to leather, provide the necessary evidence that the Proponent's primary focus, and the thrust and focus of the Proposal, is to seek to have the Company discontinue the development and sale of specific products that contain leather. Accordingly, the Proposal may be omitted pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations because it concerns the development and sale of particular products. The assessment and management of the Company's specific supply chain and the subsequent sale of specific products of the Company implicates central considerations for the Company's management of its business operations. Reviewing and addressing those matters is a complex process and is so fundamental to management's ability to run the Company on a day-to-day basis that it could not, as practical matter, be subject to direct shareholder oversight.

Accordingly, as demonstrated in the No-Action Request and further described herein, the Proposal is excludable under Rule 14a-8(i)(7).

CONCLUSION

For the reasons stated above and in the No-Action Request, we respectfully request that the Staff concur that the Company may exclude the Proposal from the 2022 Proxy Materials. Should the Staff disagree with the conclusions set forth in this letter, or should you require any additional information in support of our position, we would welcome the opportunity to discuss these matters with you as you prepare your response. Any such correspondence should be sent



January 28, 2022

Page Four

to Jodie Bourdet of Cooley LLP at jbourdet@cooley.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (415) 693-2054.

Very truly yours,

Jodie Bourdet

Jodie M. Bourdet

cc:

Seth Jaffe, Levi Strauss & Co.

Nanci Prado, Levi Strauss & Co.

Jared Goodman, People for the Ethical Treatment of Animals

Eric Jensen, Cooley LLP

Natalie Karam, Cooley LLP

Reid Hooper, Cooley LLP

February 3, 2022

Via e-mail

Office of Chief Counsel
Division of Corporate Finance
Securities and Exchange Commission
shareholderproposals@sec.gov

Re: Levi Strauss & Co. 2022 Annual Meeting Shareholder Proposal
Submitted by People for the Ethical Treatment of Animals

Dear Sir or Madam:

I am writing on behalf of People for the Ethical Treatment of Animals (PETA) to briefly respond to Levi Strauss & Co.'s ("Levi" or the "Company") January 28, 2022, supplement to its no-action request.

Levi's supplement focuses exclusively on its continued attempt to argue that the Proposal does not focus on the humane treatment of animals because it also notes in conclusion the importance of Levi's compliance with its animal welfare policy to consumers and shareholders. As discussed in PETA's January 10, 2022, response to Levi's no-action request, this argument mischaracterizes the Proposal, is contrary to prior agency decisions, and PETA's indication that the Proposal focuses on a significant policy issue cannot be used as a sword to preclude publication.

Levi, apparently acknowledging the weakness of its argument, now attempts to rely on extrinsic statements that have absolutely no bearing on the interpretation of the Proposal. The Company asserts that its position the "thrust and focus" of the Proposal is other than what it clearly states can be supported by the fact that PETA has urged the Company to phase out the use of leather in other communications. This argument is no different than a company seeking to exclude a proposal that urges that company to issue a report on its compliance with its anti-discrimination policy because the proponent has separately urged the company to hire its first non-binary executive. The proponent's advocacy activities outside of its submission are irrelevant in determining the scope of a proposal. After two submissions, Levi still points to no support for its position.

Further, even assuming that the parties' December 9, 2021, meeting was relevant, Levi mischaracterizes the discussions that occurred. The parties specifically discussed how Levi's animal welfare policy is implemented, that Levi is still in the process of evaluating its supply chain, and that it will make data-driven decisions about the materials it uses and how it obtains them. Levi also stated during that meeting that it has no current plans to discontinue the use of leather; PETA "indicated to the Company that it should cease using leather" in the context of discussing how every single investigation into the animal skins industry conducted by PETA entities worldwide has revealed extensive suffering *inconsistent with Levi's published animal welfare policy*. The report requested by the Proposal would simply illuminate whether Levi is in compliance with its policy.

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ENTITIES:

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- PETA Asia
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- PETA France
- PETA Australia
- PETA Germany
- PETA Switzerland
- PETA Netherlands
- PETA Foundation (U.K.)

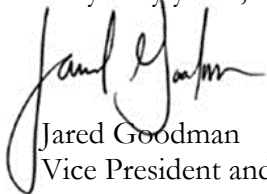
Under no circumstance would it require the Company to end the use of leather. Whether the Company would use the information from the report to make a “data-driven” decision to end the use of leather entirely is the Company’s own choice, and not mandated by the Proposal.

Finally, Levi’s supplement notes that “in fiscal year 2021, less than 1% of fibers used in the sourcing of the Company’s products were animal fibers.” Yet Levi has not sought to exclude the proposal under Rule 14a-8(i)(5), and even if it had, “proposals that raise issues of broad social or ethical concern related to the company’s business may not be excluded, even if the relevant business falls below the economic thresholds of Rule 14a-8(i)(5).” SLB 14L. Levi also asserts that this “small amount [is] being sourced consistent with best practices in animal welfare and environmental stewardship,” which is remarkable given Levi’s representations to PETA that it is still in the process of evaluating its supply chain and has had difficulty doing so in light of the pandemic.

For these reasons, and those stated in PETA’s January 10, 2022, submission, we respectfully request that the Staff decline Levi’s request for no-action relief pursuant to Rule 14a-8(i)(7).

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jared Goodman". The signature is written in a cursive style with a large initial "J".

Jared Goodman
Vice President and Deputy General Counsel for Animal Law
(323) 210-2266 | JaredG@petaf.org

Cc: Jodie M. Bourdet, Cooley, jbourdet@cooley.com