



CONSCIOUSLY DESIGNING POSITIVE CHANGE • 2021 ESG REPORT

TABLE OF CONTENTS



A MESSAGE FROM OUR CEO

In 2021, we set out to transform our business and embarked on a journey as a new, stand-alone public company. In doing so, we knew we had to prove that we could be a viable and profitable company and that we could, once again, be a standard-setter in our industry. We recognize that this will require not simply an evolution of our business, but a revolution, driven by a vision to apply the lessons we have taken to heart in recent years to become the world's leading advocate for women.

I use the word "journey" deliberately: this has been, and will continue to be, an ongoing process of listening, learning and challenging ourselves to improve and to build trust with our stakeholders, starting with our inspiring customers and the dedicated associates who are committed to serving them every day. We embrace this journey because we know we do not exist solely to sell products. We enhance lives and create fulfilling and respectful workplaces where we can make a difference through our products, platform and advocacy.

*ONE THING YOU CAN EXPECT FROM ME —
AND ALL OF US — IS RADICAL TRANSPARENCY AND
A COMMITMENT TO ALWAYS DO BETTER*

We have launched the next stage of this mission by organizing our efforts around an intentional environmental, social and governance (ESG) structure and starting the very necessary work of embedding diversity, equity and inclusion (DEI) into all facets of our business. We refer to this journey as **Consciously Designing Positive Change**, to represent and continually remind ourselves of the significant impact we can achieve together in the world.

This first-ever ESG report for our company isn't about declaring that we have it all figured out — quite the opposite. It's an acknowledgement of the work that lies ahead of us, a transparent look into where we are today and a nod to where we're headed.

I'm pleased to highlight some key milestones in our journey thus far:

- We established a new, highly talented Board of Directors. Eighty-six percent of our directors are women and 43 percent are racially diverse.

- We hired a Chief Diversity Officer and built the robust DEI strategy that is outlined in this report.
- We are committed to providing equal pay for equal work for employees across all gender identities and races. We continuously review our compensation practices and make adjustments to ensure equity.
- We founded the VS&Co Environmental Sustainability Committee to oversee progress and execute initiatives across the organization.
- We are actively developing our ESG Roadmap to establish our goals and create a comprehensive plan to meet these goals.
- We updated our Supplier Guidebook and Supplier Code of Conduct, and are continuing to trace, audit and train our supplier base in support of our commitment to protect human rights.
- We are partnering with our suppliers to regularly assess compliance with our environmental policies, including chemical use and wastewater management.
- We are increasing our use of preferred fibers, including recycled polyester and recycled polyamide, and will be setting specific sustainable product goals in 2022.
- We are assessing the environmental performance of facilities across our value chain to establish our baseline in order to set a formal, science-based greenhouse gas reduction target.

- We are actively piloting textile take-back and recycling programs and determining the appropriate partners to support us on our circularity journey.
- We've committed to publishing a more fulsome ESG report this fall and publishing an annual ESG report thereafter.

While I'm proud of our progress in a relatively short time as a public company, we know we are just getting started. We are tackling this work consciously and are focusing our efforts on how we can best support our associates, customers, shareholders and the planet. Above all, one thing you can expect from me — and all of us at VS&Co — is radical transparency and a commitment to always do better.

Together, we will Consciously Design Positive Change.



MARTIN WATERS
Chief Executive Officer
Victoria's Secret & Co.



ABOUT VICTORIA'S SECRET & CO.



VICTORIA'S SECRET
PINK

In August 2021, Victoria's Secret & Co. (VS&Co) became a stand-alone public company that is independent from its former parent company, L Brands (now Bath & Body Works, Inc.).

VS&Co (NYSE: VSCO) comprises two market-leading brands, Victoria's Secret and Victoria's Secret PINK, that share a common purpose of inspiring and uplifting our customers in every stage of their lives. We are committed to empowering our more than 30,000 associates across a global footprint of nearly 1,400 retail stores in more than 70 countries. We provide our customers with products and experiences that make them feel good inside and out while driving positive change through the power of our products, platform and advocacy.

Our business is principally conducted from office, distribution and shipping facilities located in the Columbus, Ohio area. Additional facilities are located in New York and Kettering, Ohio. We lease offices in the Toronto, Ontario, area and in Shanghai, Shenzhen and Hong Kong within Greater China. We also operate technology and sourcing-related office facilities in various international locations.

TYPE OF SITE	NUMBER OF LOCATIONS (GLOBAL)
Company-operated stores (US, Canada and China)	899
Partner-operated stores	463
Total	1,362

OUR COMMITMENT

At VS&Co, we believe in doing what is right in our industry, for our communities and for the world. We are committed to making products our customers can feel good about wearing, having diverse and inclusive workplaces where all associates are supported in their success, and conducting our business in a socially and environmentally responsible way with oversight by our Board.

VS&Co is powered by a global team of passionate associates who are united by a common purpose: providing our customers with products and experiences that make them feel good inside and out while driving positive change through the power of our products, platform and advocacy.

*WE ARE COMMITTED TO MAKING PRODUCTS OUR CUSTOMERS CAN **FEEL GOOD ABOUT WEARING***

ABOUT THIS REPORT



This is VS&Co's first ESG report. It was published April 7, 2022, to provide an overview of our company's performance, as guided in part by the Sustainability Accounting Standards Board (SASB) Apparel, Accessories and Footwear industry standard.

Data provided here represents the majority of our operations globally for the fiscal year ended January 29, 2022, to the best of our current knowledge. As a new, stand-alone public company, some of our sustainability efforts are still in

development, and therefore some information here may be based on estimates. Some data or practices will only apply to our lingerie and apparel products, and this is defined throughout the report.

We intend to publish a more extensive report in the fall of 2022, and to thereafter publish an update on these matters annually.

To request additional information or to provide your comments, please contact us at sustainability@victoria.com

NOTE ON FORWARD-LOOKING STATEMENTS

We caution that any forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) contained in this report or made by VS&Co, our management or our spokespeople involve risks and uncertainties and are subject to change based on various factors, many of which are beyond our control. Accordingly, our future performance and results may differ materially from those expressed or implied in any such forward-looking statements. Forward-looking statements include, without limitation, statements regarding our future operating results, the implementation and impact of our strategic plans and our ability to meet ESG goals.

Information about risks and other factors that could cause actual results to differ materially from those expressed or implied in any forward-looking statements can be found in "Item 1A. Risk Factors" in our Annual Report on Form 10-K filed with the SEC on March 18, 2022. Except as may be required by law, we assume no obligation and do not intend to make publicly available any update or other revisions to any of the forward-looking statements contained in this report to reflect circumstances existing after the date of this report, even if experience or future events make it clear that any expected results expressed or implied by those forward-looking statements will not be realized.

LEADERSHIP



BOARD OVERSIGHT

Our ESG strategy and leadership is overseen by our **Board of Directors**, in alignment with our values of ethics, integrity, equity and inclusion, with specific oversight from the Nominating and Governance Committee of our Board. The committee is accountable for reviewing VS&Co's ESG policies, strategies and initiatives, including assessing their progress and potential impact on stakeholders.

GLOBAL ETHICS & COMPLIANCE PROGRAM

We have a robust Global Ethics & Compliance program, led by our Vice President of Ethics & Compliance, who reports to our Chief Legal Officer. We have adopted enhanced governance for our Global Ethics & Compliance Program, including an ethics hotline available 24/7 in multiple languages, formal case management workflow, escalation protocols and investigation guidelines.

CODE OF CONDUCT & TRAINING

We have updated our values-based **Code of Conduct** to emphasize that leaders are responsible for creating a work environment that encourages compliance and drives accountability for behavior. We also expect all of our associates to report issues that seem inconsistent with the company's values or Code of Conduct. As defined by our No Retaliation Policy, no associate will be subject to retaliation, disciplinary action or any career disadvantage for raising a concern. We do not tolerate discrimination, harassment or bullying of any kind; this is clearly articulated in our Code of Conduct.

The **Civility & Anti-Harassment Policy**, adopted in 2018, is now part of the Code of Conduct. Training specific to the Civility & Anti-Harassment Policy is ongoing for our associates.

ETHICS REPORTING & INVESTIGATION

We have enhanced our **Ethics Hotline** system and protocols. The hotline is operated by an independent third party and is available to associates worldwide, as well as customers, vendors, contractors and other business partners. The hotline is monitored 24/7, provides translation services and has a dedicated case manager. Our updated Code of Conduct and our Photo Shoot Procedures emphasize the availability of the hotline and reinforce that we absolutely do not tolerate retaliation against reporters, as

defined by our No Retaliation Policy. The hotline is also available to non-associates, including talent, who participate in photo and video shoots for the company.

We have an Ethics Escalation Protocol, which requires notification of the Chair of the Board and Chairs of the Human Capital and Compensation and Audit Committees of the Board. This protocol requires notification of ethics allegations, including claims of discrimination or harassment involving any of VS&Co's senior management (i.e., Senior Vice President or above) or that presents a material risk to our business.

*WE HAVE ESTABLISHED
BEST-IN-CLASS PHOTO
SHOOT PROCEDURES
AND REQUIRE
COMPLIANCE MONITORS
AT EVERY SHOOT
INVOLVING TALENT*



PHOTO & VIDEO SHOOTS

We have established robust, best-in-class [Photo Shoot Procedures](#) that apply to all photo and video shoots involving talent, which must be read and agreed to by all individuals involved in a shoot. We also require one or more compliance monitors at every shoot involving

talent to ensure that the guidelines are followed and that our shoots meet our standards of a happy and healthy environment. Any concerns raised regarding adherence to the Photo Shoot Procedures are promptly reviewed and investigated, as appropriate, by the VS&Co Global Ethics & Compliance Team.

PROTECTING HUMAN RIGHTS

Victoria's Secret & Co. is committed to respecting human rights. Our approach and activities to respect human rights are based on the principles as defined by the Universal Declaration of Human Rights (UDHR), which recognizes that "all human beings are born free and equal in dignity and rights."

Our actions — both in our local communities and across our company — are guided by fostering inclusion, creating equity, acting with integrity and behaving ethically. VS&Co seeks to mitigate adverse human rights impacts as they relate to our associates, business partners,

suppliers and customers. We are committed to operating in alignment with the principles outlined in the United Nations Global Compact (UNGC), the UN Guiding Principles on Business and Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the International Bill of Human Rights and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

You can read our full [Human Rights Statement](#) on our website.



WORKPLACE



HAPPY, HEALTHY & INCLUSIVE CULTURE

At VS&Co, fostering a happy, healthy and inclusive culture is our top priority. In 2021, we embarked on a remarkable company transformation from the inside out. We have a new leadership team that is dedicated to ensuring we're creating safe spaces where associates can be their authentic selves and where their voices can be heard and ideas can be shared. We're intentional about embracing and advancing a happy, healthy and inclusive culture.

The Human Capital and Compensation Committee of the VS&Co Board of Directors reviews our key workforce management and human capital policies and practices related to organizational engagement and effectiveness, culture, talent attraction and retention strategies,

and associate development programs. The committee also reviews executive- and management-level development programs, as well as performance and skills evaluations.

TRANSPARENCY

We are creating a culture of transparency where associates are encouraged and rewarded for speaking up. We hold regular all-company meetings where information is shared with associates. These meetings always end with a live question-and-answer session with leadership. In addition, we host conversation circles led by Inclusion Resource Groups, send weekly newsletters to all associates and hold our leaders accountable for communicating often with their teams.

Through our annual Associate Opinion Survey, we receive transparent feedback on what's working well and what needs to be improved within our company. In 2021, 85 percent of associates took the survey. Of those, 87 percent rated as feeling proud to work for the company.

BENEFITS AND TRAINING & DEVELOPMENT

We are on a journey to expand our associate benefits program to better support all associates. In recent years, we have:

- Increased maternity leave to 14 weeks at 100 percent of pay and parental leave to six weeks at 100 percent pay, including adoptive parents
- Increased reimbursement for adoption and surrogacy-related expenses (up to \$20,000)
- Provided infertility insurance, including in vitro fertilization and egg freezing and storage
- Provided access to backup childcare and eldercare
- Increased the number of paid holidays to nine
- Provided no-cost mammograms available on-site or through a medical plan
- Transitioned to a new work model, with the majority of home office associates working hybrid or fully remotely to maintain the flexibility associates have come to rely on

- Expanded our bereavement benefits to include days off with pay for an associate who experiences a miscarriage
- Introduced a new mental health and well-being employee assistance program provider, ComPsych GuidanceResources, which is confidentially available 24/7 to provide emotional support, someone to talk to and additional self-care resources. This resource is available to all associates as well as their family members and housemates

Associates and their managers also participate in a yearly process to align on goals, share ongoing feedback and coaching and measure performance. Associates are encouraged to work with their manager and human resources (HR) partner to create an individual development plan that helps them expand and enhance their knowledge, skills and abilities. We have also engaged experts in this field to support us in providing unique and impactful development experiences for associates. With our partner Vital Voices, we created programs and experiences that address what's important to women both inside and outside the workplace. We launched a program featuring a unique speaker series and personal discovery courses, working to inspire and empower associates to become culture-shaping leaders and agents of change at work and in their personal lives. This women-centric program is open to all, no matter how an employee identifies.

DIVERSITY, EQUITY AND INCLUSION

As we strive to create a better future for our organization and our world, we are committed to consciously and continuously learning and growing from our past and present. For us, it's not just about selling products — it's about using our scale and platform to champion every voice and drive forward inclusion and equity for every person.

DEI GOVERNANCE

Our DEI strategy and goals are set by our newly created DEI Council, co-led by our Chief Diversity Officer Lydia Smith and Chief Human Resource Officer Laura Miller. The work is sponsored by our Chief Executive Officer Martin Waters and overseen by our Human Capital and Compensation Committee and Board of Directors, which are chaired by women of color. The council consists of leaders from across the business, who are committed to establishing programs to promote DEI. Our DEI and HR teams are responsible for driving day-to-day activities.

OUR DEI VISION

To celebrate, honor and reflect the diversity of our customers, our associates and the communities where we engage.

OUR DEI MISSION

To inspire and empower all by reflecting experiences, expanding access and recognizing diversity.

OUR DEI STRATEGIC FRAMEWORK

We believe that integrating DEI into everything we do is not just the right thing to do — it is critical to driving performance and doing well for our associates, customers and communities. We're committed to bringing this to life through strategic actions with measurable goals, focusing on three key pillars: People, Experience and Purpose.

PEOPLE

More than stores, more than products, VS&Co is a community of people with different backgrounds, qualities, abilities and talents. Embracing and fostering that diversity is what makes us stronger.

Our People work is focused on:

- Retaining more diverse associates
- Increasing diversity within our workforce
- Enabling the growth and advancement of all our talent

EXPERIENCE

When our people are at their best, our company is at its best. We are committed to creating a workplace where everyone can bring their whole selves to work and thrive.

Our Experience work is focused on:

- Increasing associate engagement on our DEI journey
- Driving inclusive leadership across our organization
- Fostering a happy, healthy and inclusive culture

PURPOSE

We don't just sell products: we inspire and uplift. We are passionate about creating products that meet our customers' diverse needs and telling stories that reflect their journeys while empowering the communities where we live and work.

Our Purpose work is focused on:

- Reaching and serving more diverse customers
- Investing in more minority- and women-owned businesses and suppliers
- Using our platform and resources to empower our communities, advance racial equity and promote social justice

WE PLEDGE TO WELCOME AND CELEBRATE EVERY ASSOCIATE, PARTNER AND CUSTOMER — FROM ALL BACKGROUNDS, ALL ABILITIES AND ALL LIFE STAGES

OUR DEI COMMITMENTS

Driving Workforce Representation

To strengthen our workforce and better reflect and serve our customers, it's critical that we have diverse voices at the table. We are committed to retaining more diverse associates, attracting more diverse talent and empowering the growth and advancement of all our associates.

The following data relative to associates' gender identity reflects our global workforce, all data regarding race or ethnicity reflects only associates based in the United States. All representation data is self-disclosed by our associates.

We are proud that in 2021, 87 percent of our associates were women; 60 percent were people of color. Looking deeper, in our stores, 95 percent of associates were women; 65 percent were people of color. In our distribution centers, 57 percent of our associates were women and 71 percent were people of color. And, in our Home Office, 63 percent of associates were women and 25 percent were people of color.

Diversity in leadership drives innovation, fosters inclusion and ensures a brighter future for our organization and our world. In 2021, our Board was 86 percent women and 43 percent people of color. Of our director-and -above roles 59 percent

were filled by women and 16 percent were filled by people of color. And women of color make up 8 percent of these leadership positions.

We recognize that we have an opportunity to increase our diverse workforce and leadership representation, particularly by closing the gap in our Home Office and director-and-above roles.

We will drive progress by:

- Being intentional about promoting and advancing women and people of color
- Recommending diverse interview slates
- Tapping into diverse talent pipelines, from stores and distribution centers to the Home Office
- Making leadership development programs available to women and people of color
- Evolving our full life cycle recruiting process to address barriers to entry
- Forming new partnerships and relationships with organizations that cultivate a diverse talent pipeline
- Holding leaders accountable for supporting the growth of diverse talent
- Offering equitable learning and development opportunities for all



Ensuring Equal Pay for Equal Work

The heart of our business is our talented workforce. We offer competitive pay and benefits to our more than 30,000 associates around the world and pay all associates equitably regardless of gender, race, ethnicity or background.

We conduct an annual, rigorous and transparent review of 100 percent of our worldwide workforce that is verified by an independent third party to ensure that all salaries and incentive compensation targets are fair and unbiased. If we find any differences in pay between men and women globally or by race and ethnicity in the United States,* we make upward adjustments. Our process reviews gender, race, ethnicities and the intersections of these identities.

We are pleased to report that our 2021 internal review as well as an analysis by our third-party partner, the nonprofit Fair Pay Workplace (FPW), revealed that 99 percent of our workforce was paid equitably. For the remaining 1 percent, we have made adjustments to processes and compensation to address inconsistencies.

Because workforces are dynamic and ever-changing, so is the work to ensure pay equity. VS&Co is committed to an ongoing analysis and continued transparency relative to our metrics on pay equity, and we plan to report to our associates and to the public on an annual basis.

About Our Third-Party Partner

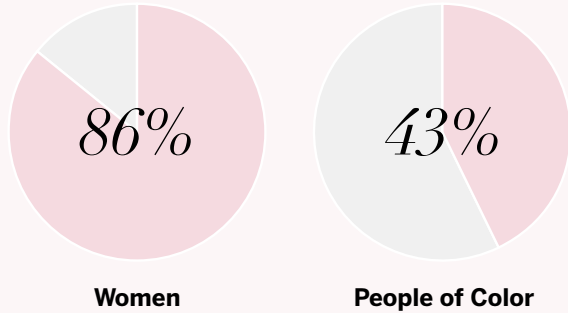
Fair Pay Workplace certification takes a holistic approach to pay equity based on a set of rules and standards established by a group of experts from the domains of HR, law, business, academia, DEI and data science. Fair Pay Workplace evaluates our current pay scales, systems and infrastructure to discover root causes and then partners with us to design annual pay equity action plans to effect meaningful, measurable change. Fair Pay Workplace certification is a verified system that sets a new transparent standard for both employers and employees.

**Many jurisdictions outside the United States limit our ability to collect information on race/ethnicity as well as what we are allowed to do with that information.*

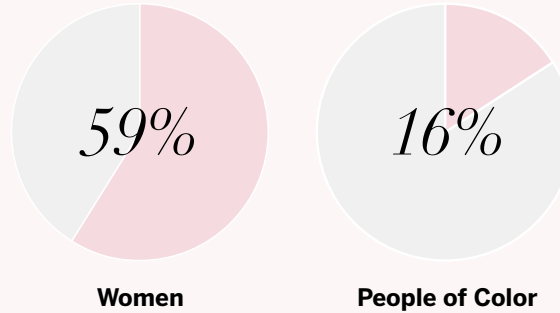
*VS&CO IS COMMITTED TO 100% PAY EQUITY
FOR ALL GENDERS, RACES, ETHNICITIES AND THE
INTERSECTIONS OF THESE IDENTITIES*

WORKFORCE REPRESENTATION AT A GLANCE

BOARD OF DIRECTORS

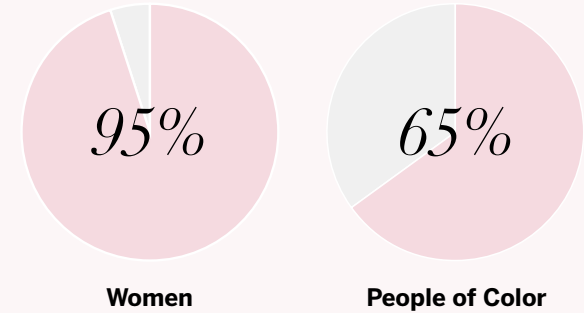


DIRECTOR-AND-ABOVE ROLES*

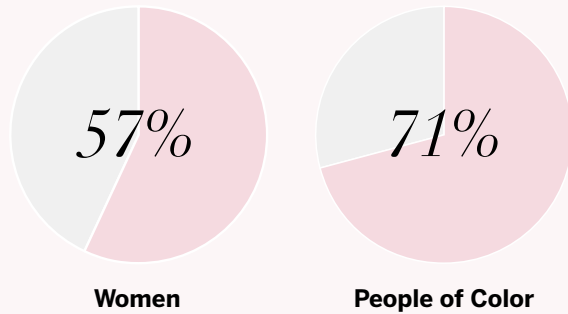


*Women of color make up 8% of these leadership positions.

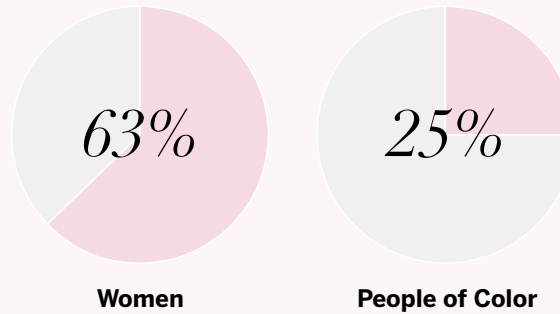
IN-STORE ASSOCIATES



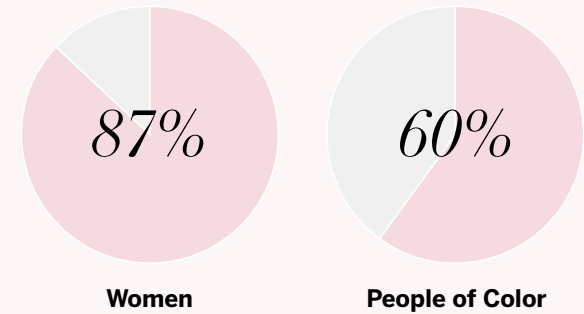
DISTRIBUTION CENTER ASSOCIATES



HOME OFFICE ASSOCIATES



OVERALL WORKFORCE METRICS



% of women reflects our global workforce. % of people of color reflects the United States only.



EMPOWERING COMMUNITIES

As a global organization with a large platform, it's our responsibility to use our time, money and resources to drive change that extends beyond our business and creates a more sustainable world. In 2021, 88 percent of total giving was directed to organizations that formally supported women, people of color, veterans and the military, people with disabilities, different age groups and the LGBTQIA+ community. In addition to the Victoria's Secret & Co Foundation efforts that we are taking to support the community, we are also committing \$300,000 in 2022 to nonprofit organizations identified by our Inclusion Resource Groups (IRGs), including, among others:

- Asian American Community Services
- Hispanics Inspiring Students' Performance and Achievement
- The Point Foundation
- Zora's House
- Runway of Dreams
- YWCA

VS&CO INCLUSION RESOURCE GROUPS

Our IRGs create an opportunity for associates to connect with one another around their shared passion for creating an inclusive and equitable workplace for all associates. These groups provide professional development for associates, support the needs of the business, help shape the culture of our company and volunteer in the communities we serve.

Membership is open to all associates who are passionate about the important role DEI plays in our organization. We currently have 633 members across the following groups:

- **Asian Learning, Leadership & Innovation Network (All In):** Asian American and/or Pacific Islander associates and their allies
- **Conexión:** Hispanic and Latinx associates and their allies
- **Evolve:** LGBTQIA+ associates and their allies
- **Mosaic:** Black and African American associates and their allies
- **Women Inclusion Network (WIN):** Associates who identify as women and their allies

SUPPLY CHAIN



At VS&Co, we have a long history of maintaining rigorous labor standards for our suppliers, and we believe we can continue to play an important role in empowering workers and improving working conditions across our supply chain.

COMMITMENT & GOVERNANCE

VS&Co has a Sourcing Risk Council, comprising senior executives from various company divisions and functions, that meets quarterly to discuss core business, sourcing, purchasing practices and approve policies as required. Executive representation includes leaders and stakeholders with expertise in the following areas:

- Company Affairs
- Compliance and Ethics
- Global Trade Compliance
- Government Affairs
- Independent Production Services (IPS)*
- Legal
- Logistics
- Procurement
- Production and Sourcing
- Regulatory and Quality Assurance

The council assesses current risks, including geopolitical, social compliance and associated

supply risks, and sets policies related to responsible sourcing. The Sourcing Risk Council operates under the guidance and oversight of the Board of Directors' Audit Committee. The Chair of the Sourcing Risk Council reports to the Audit Committee on a regular basis, and the Audit Committee updates the Board of Directors.

Given the complex nature of our supply chain, we have adopted stringent measures to ensure that workers in our suppliers' facilities are treated fairly and ethically. We require our suppliers to adhere to our [Supplier Code of Conduct](#) ("the code") and detailed [Supplier Compliance Guidebook](#) ("the guidebook"), which we update regularly. We conduct audits at supplier facilities for compliance with our code. The code clearly outlines our standards against forced or child labor, corruption, bribery, discrimination, harassment and abuse, unauthorized subcontracting and more. The code must be posted in common areas by all our factories in the factory workers' preferred language.

**Independent Production Services (IPS) is a compliance function within VS&Co that works with suppliers to ensure goods are sourced from factories that meet or exceed VS&Co's compliance standards. IPS is responsible for monitoring and enforcement of VS&Co's social compliance program and has been supporting global compliance for more than two decades, enabling improvement in working conditions, supply chain security, trade compliance and brand protection in our supply chain through monitoring, remediation, capacity building and training.*

TIER DEFINITION AND SOURCING

Our definition of tiers is aligned with the Sustainable Apparel Coalition and Science Based Targets initiative, as follows.

TIER 1	Finished goods manufacturing
TIER 2	Facilities that supply Tier 1 facilities with fabrics, trims or components Facilities that provide processing services (e.g., embroidery, printing, laundries)
TIER 3	Raw material processing
TIER 4	Raw material extraction

Our top 10 suppliers represent more than 80 percent of our production volume; we have worked with the majority of these partners for 25 years or more. We have traced 100 percent of our Tier 1 and Tier 2 supply chain for our lingerie and apparel products. We have also begun the work of tracing our Tier 3 suppliers.

SOCIAL COMPLIANCE

Regularly ensuring compliance keeps our supply chain functioning smoothly. We rely on our own internal audits as well as third-party audits to monitor our suppliers and facilities for activities or practices that do not comply with our policies.

Our factory audit program is managed by the IPS team. Independent Production Services was

formed in 1997 and sits outside the supply chain organization within VS&Co. It is responsible for social compliance in the supply chain including, but not limited to, ensuring that all in-scope factories are audited annually. Independent Production Services uses a combination of internal and third-party audits. Production locations for the following items are audited:

- All products sold in our stores, including those that are promotional
- Non-merchandise items such as bags, boxes, price tickets and hangtags
- Store fixtures
- Components for our beauty products

In 2021, 99.2 percent of our in-scope factories were audited, of which 88.3 percent were unannounced audits. All audits thoroughly examine labor standards and workplace conditions, and the majority of audits include worker interviews.

If we find that a supplier or factory is not in compliance with our code or guidebook, we will partner with them in an attempt to bring them into compliance. We will only partner with suppliers who work toward continuous improvement. Our remediation platform automatically creates a corrective action plan (CAP) for all instances of non-compliance found during an audit, and suppliers are notified of the CAP. It is the supplier's responsibility to respond to CAPs within 30 days. All non-compliant findings must be remediated within 90 days of notification. All corrective action correspondence and support evidence is documented.

In 2021, nearly 3,800 labor standards and workplace conditions audit findings were evaluated across our supply chain through our standard auditing process. Approximately 9 percent of those findings required corrective action and 0.1 percent of these were considered elevated violations, the majority of which concerned wages and benefits. Over 85 percent of non-compliances were successfully remediated by the factories in partnership with IPS, and the remaining are still in progress. Factories that are not willing to remediate will be removed from the VS&Co approved factory list.

TRAINING & TRANSPARENCY

VS&Co utilizes a supply chain tracing platform to increase transparency through our Tier 1, 2 and 3 facilities. Quarterly training on key topics such as human trafficking and modern slavery, forced labor and Supplier Code of Conduct standards are delivered to our Tier 1 suppliers. Additionally, training is delivered to VS&Co associates who have responsibilities related to supply chain management.



SOURCING RAW MATERIALS

Using high-quality, ethically sourced raw materials is critical to helping us continuously meet or exceed consumer expectations for our products. We approach raw material sourcing from its potential impact on the environment and on worker health and safety.

ANIMAL FIBERS

We do not sell products that are made from or contain alpaca fleece; Australian merino wool; Angora rabbit, mohair yarn or other fibers from Angora goats; down; exotic animal skins, including snake, alligator or lizard; or real fur.

MAN-MADE CELLULOSIC FIBERS

We are committed to responsible sourcing of man-made cellulosic fibers, including rayon, viscose, modal and lyocell. We continuously work with our suppliers in an effort to ensure that we do not knowingly source fabrics from old-growth or endangered forests or sources that contribute to deforestation, the loss of high conservation value forests or human rights abuses.

Our suppliers' man-made cellulosic fibers are produced from Forest Stewardship Council–certified forestry operations or, where unavailable, from certified forestry operations sources that are independently verified to meet our policy and that have paid particular attention to avoiding materials from regions where conflicts exist.

We currently only source man-made cellulosic fibers from suppliers that have proven track records of sustainable sourcing practices.

CONFLICT MINERALS

We prohibit our suppliers from using minerals that may directly or indirectly finance or benefit armed groups in the Democratic Republic of Congo or its nine adjoining countries, in accordance with the Dodd-Frank Act's conflict minerals provision. We periodically survey suppliers to conduct reasonable country-of-origin inquiries regarding conflict minerals.

COTTON

We require that all cotton fiber, cotton yarn, cotton fabric and cotton products originate from or be spun in one or more of the approved countries, as shown in the table to the right.

We expect our suppliers to undertake appropriate due diligence to confirm compliance with this policy. Suppliers are required to retain all documentation for the origin of raw materials, processing and manufacturing to ensure the transparency and traceability of our cotton supply chain. Independent Production Services may conduct chain-of-custody audits to verify that cotton fiber, cotton yarn, cotton fabric and cotton product originated from an approved country.



OUR COTTON-SOURCING COUNTRIES

COUNTRY/REGION	COTTON FIBER MAY ONLY ORIGINATE FROM	COTTON YARN SPINNING ALLOWED IN	COTTON PROCESSING ² AND MANUFACTURING ALLOWED IN
Australia	•	•	•
Bangladesh ¹		•	•
Benin	•	•	•
Brazil	•	•	•
Burkina Faso	•	•	•
Colombia		•	•
Costa Rica		•	•
Dominican Republic			•
Egypt	•	•	•
El Salvador			•
European Union ³		•	•
Guatemala		•	•
Haiti			•
Honduras		•	•
India	•	•	•
Indonesia		•	•
Israel	•	•	•
Jordan			•
Kenya			•
Madagascar	•	•	•
Mali	•	•	•
Mauritius		•	•

COUNTRY/REGION	COTTON FIBER MAY ONLY ORIGINATE FROM	COTTON YARN SPINNING ALLOWED IN	COTTON PROCESSING ² AND MANUFACTURING ALLOWED IN
Mexico		•	•
Peru	•	•	•
Philippines			•
South Africa		•	•
South Korea		•	•
Sri Lanka			•
Tanzania	•	•	•
Thailand		•	•
Togo	•	•	•
Turkey	•	•	•
United States	•	•	•
Uganda	•	•	•
United Kingdom		•	•
Vietnam		•	•
Zambia	•	•	•

¹ Only designated facilities upon IPS approval.

² Cotton processing includes knitting, weaving, dyeing and printing. All other cotton-processing facilities must be approved by IPS on a case-by-case basis.

³ European Union includes Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

ENSURING QUALITY & TRACEABILITY

VS&Co nominates the vast majority of our lingerie and apparel raw materials suppliers to ensure quality control. Our finished goods suppliers are required to use raw materials sourced from nominated raw material suppliers. This allows us to achieve our high-level requirements on quality and gives us visibility and compliance control of our lingerie and apparel supply chain.

PREFERRED FIBERS

We are committed to increasing our use of preferred fibers, which are defined by the Textile Exchange as those that result in improved environmental and/or social sustainability outcomes and impacts compared with conventional production. For calendar year 2021, 24 percent of the polyester and 11 percent of the polyamide we bought was recycled material.

24% of the polyester we buy is recycled polyester

11% of the polyamide we buy is recycled polyamide

ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN

From growing and processing natural fibers to logistics and manufacturing, the fashion industry has a significant environmental footprint. VS&Co is committed to reducing that footprint across our supply chain by working closely with industry groups and our suppliers to institute best practices in environmental management.

ASSESSMENT & TARGETS

In 2021, we became members of the Sustainable Apparel Coalition (SAC), a global, multi-stakeholder non-profit alliance for the fashion industry. The coalition comprises more than 250 leading apparel, footwear and textile brands; retailers; suppliers; service providers; trade associations; nonprofit organizations; nongovernmental organizations and academic institutions working to reduce environmental impact and promote social justice throughout the global value chain. The coalition has developed a suite of tools to help manufacturers, brands and retailers better understand the environmental performance of their facilities, manufacturing processes and products via their Higg suite of tools.

In 2021, 70 percent of our lingerie and apparel Tier 1 and 90 percent of our Tier 2 facilities completed the SAC's Higg FEM self-assessment.

Sixty percent of our Tier 1 and 88 percent of our Tier 2 suppliers had their self-assessments verified by third-party auditors. We are currently completing the Higg BRM questionnaire, which will assess our management systems related to our operations, stores, logistics and distribution centers to help us better understand our social and environmental impacts and performance as a brand and retailer.

We are assessing the environmental performance of facilities across our value chain to establish our baseline in order to set a formal, science-based greenhouse gas reduction target.

WASTEWATER

We are focused on partnering with our vendors and other industry leaders to promote environmentally sensitive practices throughout each facet of our garment production, including attention to chemical management in wastewater.

We have adopted the Zero Discharge of Hazardous Chemicals (ZDHC) **Manufacturing Restricted Substances List (MRSL)** and the Oeko-Tex® 100

Standard harmful substances value limits as our **Restricted Substances List (RSL)** to guide us and our suppliers in environmentally responsible product design, development and manufacturing.

Wastewater Testing

We conduct regular testing on our lingerie and apparel suppliers' wastewater to ensure progress toward our goal of eliminating targeted chemicals. We have collected wastewater testing data from our suppliers since 2014 and worked with them to eliminate hazardous chemicals from their discharge.

We require our wet-processing suppliers to have their wastewater tested annually by a ZDHC-approved third-party lab. If a chemical listed on our MRSL is found in above-acceptable limits in treated or untreated water, we work with the supplier to identify the source of that chemical and to find a compliant alternative. Sometimes the chemical is generated during production. In these cases, we work with suppliers to identify adjustments to be made to the production process to prevent the generation of this chemical. We then require them to have their wastewater retested to verify that the restricted chemical is no longer present.

In 2021, more than 90 percent of our wet-processing suppliers were included in the wastewater program. Among the facilities tested, 88 percent had passing results for MRSL levels, 93 percent for heavy metals and 86 percent for other conventional parameters.

WE HAVE SET A TARGET FOR CORE LINGERIE AND APPAREL SUPPLIERS TO USE 100% CERTIFIED MRSL-COMPLIANT CHEMICALS ON PRODUCTS BY 2030

AUDITING & COMPLIANCE

Through our Product Stewardship Audit, we work closely with and regularly assess our lingerie and apparel suppliers for compliance with our chemical policies, measure and reward performance through our Chemical Management Scorecard and address non-conformance with a corrective action plan or suspension from our supplier list, if needed. We provide training to partners on chemical management best practices and have secured agreements with more than 90 percent of our suppliers to gain their participation to ban and remove **priority chemical groups** from their supply chains.

ELIMINATING RESTRICTED SUBSTANCES

All of the raw materials used in our lingerie and apparel products must be certified to Oeko-Tex® Standard 100 or tested to VS&Co's RSL by a third-party laboratory to ensure the absence of any substance on the VS&Co RSL. All of our products must also meet all requirements of our internal regulatory standards, including chemical limits, flammability regulations and fiber-content limits.

In addition to meeting all relevant laws and regulations where our products are manufactured and sold, including Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and European Chemicals Agency (ECHA), we require our suppliers to adhere to several rigorous policies and standards governing chemical management, including:

For lingerie and apparel suppliers:

- **ZDHC Manufacturing Restricted Substance List (MRLS)**, a list of chemical substances, including

detergents, dyes and finishing agents, which are banned from use in textile operations. We actively verify MRLS compliance of the chemicals used by approximately 90 percent of our wet-processing suppliers (e.g., dyeing mills and laundries).

- Our proprietary Global Apparel Chemical Policy, a guidance document for suppliers that outlines our expectations around the use of chemicals. The document requires suppliers to keep an inventory of chemicals used, treat wastewater prior to discharge, possess required permits and more.

For accessories and beauty suppliers:

- Our Accessories and Gifting Manual, which outlines quality and regulatory requirements, and testing standards for all accessory items.
- Our beauty product formulas adhere to our extensive Global Ingredients Guidelines, a guidance document for all of our vendors that outlines our expectations of ingredients in our formulas, including the listing of restrictions and banned materials, which go beyond what is mandated by regulations.

PARTNERSHIPS

In 2021, we were one of only five companies recognized by ZDHC for achieving Aspirational Level, the highest tier of success, in their **Brands to Zero** program. Our ranking reflects, in part, our collaborative efforts with ZDHC to develop progressive policies, including hazard-based assessments to prioritize chemicals for phase-out.



We are also members of the Apparel and Footwear International RSL Management (AFIRM) Group, an industry organization working to promote responsible chemical management. Through AFIRM, we share best practices with peer organizations and stay up-to-date on the latest regulatory developments.

PACKAGING LIFE CYCLE

We are taking a holistic approach toward understanding the environmental characteristics of our packaging while ensuring that our products are being thoughtfully designed, engineered and produced in an environmentally responsible manner. We are focusing on a closed-loop system that considers aspects such as sustainable sourcing, manufacturing methods, material selection and end-of-life scenarios.

We have established guidelines within our upfront development to effectively manage the

sustainability characteristics of our product packaging to ensure that we are identifying ways to reduce materials, incorporate recycled content, use recyclable materials and design for recovery. We have already begun to use post-consumer resin (PCR) in many of our packaging components, such as bottles, tubes and closures, and we expect to significantly increase PCR content across our various products and categories in coming years.

ANIMAL WELFARE

Victoria's Secret & Co. opposes **animal testing**, and no branded products, formulations or ingredients are tested on animals. Our company continues to support research and testing to further the implementation and regulatory acceptance of non-animal methods.

COMMUNITY



COMMUNITY RELATIONS & PHILANTHROPY

After becoming a stand-alone public company in August 2021, one of our first priorities was creating a framework for giving back through the VS&Co Foundation.

The Foundation's mission is to invest our dollars, time and resources into health and social impact organizations and initiatives that create positive, lasting change that improves lives.

VICTORIA'S SECRET & CO. FOUNDATION

VS&Co committed \$10 million in 2021, with plans to contribute \$50 million over the next five years. VS&Co Foundation focuses its philanthropic and community efforts on improving women's health and wellness, developing women leaders and supporting positive mental health in young adults.

Our Guiding Principles

- We support organizations that share our values and commitment to acting with integrity and fairness.
- We are committed to serving and empowering groups that reduce disparities in populations and address barriers to accessing resources.
- We support programs and initiatives that align with our commitment to fostering diversity, equity and inclusion.
- We support organizations that serve and support women in need.
- We are committed to supporting the communities where we live and work globally.

OUR FOCUS AREAS

Our Associates

Supporting Causes Important to the People Behind Our Brands

Our associates are the heart of our business, and we are committed to supporting associate-powered giving to the causes that matter most to them.

- **VS&Co Foundation grants:** We support grant-funding requests directly from our associate base to accredited nonprofit organizations through a vetting process that ensures alignment with our giving vision and mission.
- **Associate Matching Program:** VS&Co is launching a program to match associate donations to accredited organizations of their choice. Most donations will be matched at 50 percent, with donations to strategic partner organizations matched at 100 percent.
- **Associates for Associates:** This program enables associates to provide support to fellow associates through supplemental assistance in times of extreme financial hardship as a result of a catastrophic event or severe personal crisis.

Victoria's Secret

Advocating for the Health and Well-being of Women

Victoria's Secret is dedicated to improving the health and well-being of women, including a significant focus on developing women leaders and eradicating cancers affecting women.

- In partnership with our impact partner **Pelotonia**, we have created The Victoria's Secret Global Fund for Women's Cancers, which will accelerate innovation in cancer research for women, by women. This groundbreaking initiative will fund innovative research projects aimed at progressing treatments and cures for women's cancers and investing in the next generation of women scientists who represent the diverse populations they serve.
- In 2021, Victoria's Secret also donated to the **Stella McCartney Cares Foundation** to help further the organization's work toward breast cancer awareness and education.

*VS&CO IS COMMITTED TO DONATING \$50 MILLION
TO ALIGNED CHARITIES OVER THE NEXT FIVE YEARS*

PINK

Advancing Our Commitment to People/Purpose/Planet

PINK is committed to empowering and supporting all young adults in everything they do. We use our platforms and influence to foster positive mental health among young adults, with a focus on DEI.

- To support this commitment, PINK has formed a strategic partnership with the **Jed Foundation**, the leading national nonprofit organization protecting the emotional health of teens and young adults. Additionally, PINK has supported organizations such as the **Black Emotional and Mental Health Collective**, **Sad Girls Club** and **Campus Pride**, among others.
- We are stewards of our environment and are committed to doing well by doing right. To further this mission, we have partnered with **American Forests** and **1% for the Planet**.
- Through our annual **PINK with Purpose Project**, we award a group of young adults funding for individual projects aimed at supporting community, sustainability and/or mental health.

Our Supply Chain

Enhancing the Lives of Our Workers

We are committed to supporting organizations that work to improve the lives of those within our supply chain. We have had several longstanding partnerships with organizations focused on women's empowerment and well-being, fighting

modern slavery, and human trafficking, including **Pacific Links Foundation** and **HERproject™**.

- Our partnership with Pacific Links Foundation since 2007 includes support for their **academic scholarship program**, **Girls Empowerment Mekong Scholarships (GEMS)**, which provides access to education for underprivileged youth, and their **human trafficking prevention program**. We also were the first partnering company to sponsor Pacific Links' **Factory Awareness to Counter Trafficking (FACT)** and continue to actively support its expansion.
- Through the **HERproject™**, we have supported **HERhealth™**, which raises awareness on critical health topics, improves health-related behaviors, addresses common myths and misconceptions, and builds confidence. It also helps to improve the capacity of workplace clinics and strengthens worker well-being policies.

Volunteerism

We believe that getting involved makes a difference, and our associates prove this every year by rolling up their sleeves to help nonprofit organizations in our communities.

Through our volunteer initiatives, we demonstrate our role as a community leader by:

- Targeting our resources to create the greatest impact
- Enabling our associates to give back year-round
- Establishing community partnerships and a best-practice model that makes getting involved in the community easy

We proudly provide opportunities for associates around the world to make an impact through volunteerism in their local communities.

*DURING 2021, OUR ASSOCIATES GAVE
THEIR TIME, SKILLS, IN-KIND AND MONETARY
DONATIONS TO MORE THAN 150 NONPROFIT
ORGANIZATIONS GLOBALLY*



SASB INDEX

SASB APPAREL, ACCESSORIES AND FOOTWEAR DISCLOSURES

TOPIC	SASB CODE	ACCOUNTING METRIC	LOCATION
Management of Chemicals in Products	CG-AA-250a.1	Discussion of processes to maintain compliance with restricted substances regulations	Page 17
	CG-AA-250a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Pages 16-17
Environmental Impacts in the Supply Chain	CG-AA-430a.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	Page 16
	CG-AA-430a.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg FEM assessment or an equivalent environmental data assessment	Page 16
Labor Conditions in the Supply Chain	CG-AA-430b.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, and (3) percentage of total audits conducted by a third-party auditor	Page 14
	CG-AA-430b.2	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Page 14
	CG-AA-430b.3	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	Page 13 Page 16
Raw Materials Sourcing	CG-AA-440a.1	Description of environmental and social risks associated with sourcing priority raw materials	Pages 14-17
	CG-AA-440a.2	Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	Page 16
Activity Metric	CG-AA--000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Page 14

