

L Brands Forest Products Procurement Policy

L Brands is committed to working with forest products suppliers and other stakeholders, on a continuous improvement basis, to ensure that all forest products used in our operations originate from sources that are managed in a manner that is consistent with the conservation of natural resources, environmental protection and the protection of the rights of indigenous peoples and local communities. The following principles apply to all forest products, including paper, corrugated cardboard and man-made cellulosic fibers sourced by L Brands. In laying out our commitment and communicating our expectations to our forest products suppliers and other stakeholders, including our customers, employees, shareholders and environmental NGOs, we have developed the following forest products procurement policy that sets forth our vision and provides principles that will guide purchasing decisions.

This policy addresses the entire forest products lifecycle, from commercial timber management to manufacturing. This policy also supports principles that result in long-term environmental, social and economic benefits.

Responsible Forest Management

L Brands recognizes the need to support and encourage the adoption of environmentally and socially responsible practices to ensure that fiber used in the forest products we procure is sourced from well-managed timberlands and that land use choices and management practices contribute to the conservation of natural resources and environmental protection.

- ***Conservation of Endangered Forests and Protection of Biodiversity and Ecosystems:*** L Brands will give preference to suppliers who work toward conservation of endangered forests and the protection of biodiversity and ecosystems contained within these forests.¹ L Brands also recognizes that certain regions have been identified as priority regions for forest conservation and biodiversity by the conservation science community and other stakeholders and will work toward phasing out and finding suitable alternatives to any fiber sourced from these regions, specifically:
 - Endangered Forests and ecosystems and other [High Conservation Value](#) areas¹,
 - Forests harboring a rich array of biodiversity that have been heavily impacted by human activity²,
 - Global forest types that are naturally rare and threatened³,

¹ L Brands recognizes definitions and identifying traits and characteristics and traits of endangered forests, which have attained broad acceptance by the conservation science community, environmental NGOs or other stakeholders, such as the Wye River Coalition's Endangered Forests definitions. L Brands also seeks to reflect changes in the consensus definition of endangered forests as it continues to develop over time, and will consult with the World Resources Institute Global Forest Watch Program and other resources that we believe may be helpful.

² Of particular note are the forested "biodiversity hotspots" – ecoregions located mainly in the tropics and identified by conservation scientists as having a minimum of 1,500 endemic plant species and as having already lost 30 percent or more of their original habitat.

³ World Wildlife Fund has defined global rarity as biomes or major habitat types represented by less than 8 distinct regions around the world. Included in this category are temperate rainforests and Mediterranean habitats.

- Forested wilderness areas, including those that are rich in species diversity⁴, contain threatened species⁵ or provide critical ecosystem services,
- Old growth forests that have not previously been subject to commercial logging and
- Plantations that have been established where a natural forest existed as of 1994.

L Brands will help protect endangered forests in all regions where its suppliers source forest and paper products and recognizes the following priority regions: Canadian boreal forests, U.S. National Forests, Canadian and U.S. coastal and inland temperate rainforests, Indonesia, Chile, Atlantic forests of Brazil and the Cumberland Plateau of the U.S. where commercial fiber production for pulp and paper plays a defining role in land use choices and natural resource management.

No Conversion: L Brands will use its position to influence forest products suppliers to abandon the practice of conversion of natural forests to plantations. The company will not knowingly source paper products from sources that actively convert natural forests to plantations and will not buy wood, fabrics or paper products that originate from forests that were converted after 1994.

- **Best Practices in Timberland Management:** L Brands will encourage our forest products suppliers to develop forest management plans based on quantitative and internationally recognized information regarding the conservation of natural resources and environmental protection on all lands owned or managed by their companies. Where our forest products suppliers source from independent land managers, L Brands encourages these suppliers within their procurement systems, to require the development and implementation of forest management plans that assure protection of endangered species and habitats, as well as the maintenance of ecosystem services at the landscape level. L Brands will avoid sourcing forest products originating from commercial timber operations that convert or promote the conversion of natural forests to monoculture wood fiber plantations or non-forest land uses. L Brands will source forest products with fiber originating from well-managed, longstanding existing plantations or from new fiber plantations established on degraded agricultural or pasture lands and managed in keeping with responsible silvicultural practices and landscape-level conservation objectives
- **Forest Restoration and Recovery:** L Brands will give preference to forest product suppliers who supplement their land management plans with natural forest restoration and recovery initiatives, particularly in areas where most of the original extent of habitat

⁴ Wilderness areas are characterized by at least 1 million square kilometers that have a population density of less than 1 person per square kilometer. The “high biodiversity wilderness areas” include a minimum of 1,500 endemic plant species.

⁵ Threatened species as designated by the IUCN Red List as well as NatureServe’s Conservation Status rankings for imperiled species that are at high risk of extinction due to very restricted range, very few populations (often 20 or fewer), steep declines in populations or other factors. See <http://www.natureserve.org/explorer/ranking.htm#mean>.

has been lost and where continuing deforestation pressures threaten large numbers of species with extinction.⁶

- **Forest Certification:** L Brands is committed to increasing the amount of certified fiber in our forest products and, in particular, will give purchasing preference to products endorsed under the Forest Stewardship Council (FSC) certification program, where such products are available and appropriate to L Brands' needs and where certification is consistent with this policy's provisions on conservation of endangered forests and biodiversity. L Brands does not give exclusive preference to any single forest certification program and will evaluate the claims of different certification programs based on demonstrated contributions to positive conservation outcomes for forest species, sites and landscapes.
- **Illegal Logging:** L Brands is committed to working with our forest products suppliers and other stakeholders to ensure that illegally sourced fibers are not used in the products we source and that suppliers comply with all other relevant legal requirements. Among other efforts, we will work with our forest products suppliers to ensure that tropical hardwood species covered under the Convention on International Trade in Endangered Species (CITES) and wood sourced from illegal logging operations are avoided. L Brands will avoid wood fiber from countries with well-documented persistent patterns of unchecked illegal logging, including unlawful timber extraction inside designated protected areas or "conflict timber" associated with human rights abuses. Fiber from these countries will only be from suppliers that can demonstrate compliance with this policy.

Recycled Content: Sourcing recycled fiber can reduce overall pressure on natural forests and other important natural resources, especially when fibers from post-consumer wastes are used in forest products production.

- L Brands recognizes these benefits and will give preference for recycled papers, for catalogue and non-catalogue use, sourced from post-consumer waste fibers where economically feasible and quality requirements can be met.
- L Brands will also encourage our suppliers to develop and test additional recycled content papers for use in our catalogues and other paper products and to continuously improve and expand availability of recycled content papers for all catalogue and paper end uses.

Pollution Prevention: The manufacture of forest products is a resource-intensive process that can lead to air and water emissions that impact overall environmental quality.

- L Brands will purchase forest products only from suppliers that meet or exceed legal environmental performance requirements for pollution control.
- L Brands encourages its suppliers to monitor and reduce overall emissions by adopting the latest technologies that minimize pollution impacts.

⁶ The biodiversity hotspots are ecoregions located mainly in the tropics and identified by conservation biologists as having a minimum 1,500 endemic plant species and as having already lost 30 percent or more of their original habitat.

- L Brands will not purchase papers manufactured using elemental chlorine bleaching processes and encourages its paper suppliers to move toward process chlorine-free and totally chlorine-free bleaching.

Efficient Paper Use: L Brands is committed to improved efficiency in paper use, including efforts to reduce duplicate mailings and other inefficiencies in catalogue distribution systems. Additionally, L Brands promotes continuous technical advances in paper weight reduction, fiber use efficiency, printing methods to minimize process waste, substitution of recycled content for virgin fiber and increasing the percentage of certified fiber, with preference for FSC. Additionally, L Brands encourages suppliers to conduct research into the use of alternate fiber sources, such as agricultural waste.

Man-made Cellulosic Fibers: Our company is committed to responsible sourcing of man-made cellulosic fibers, including rayon, viscose and modal. We are working with our suppliers in an effort to ensure that we do not knowingly source fabrics from ancient and endangered forests or sources that contribute to deforestation, the loss of High Conservation Values or human rights abuses, and anticipate reaching this goal by the end of 2017. We are committed to working with our suppliers to source man-made cellulosic fibers produced from FSC certified forestry operations or, where unavailable, from certified forestry operations sources that are independently verified to meet our policy. We will report on our progress publicly.

Research and Contributions to Conservation Projects: Recognizing the need for additional research into biodiversity values of forest ecosystems, for conservation of areas with high levels of biodiversity and for education and awareness programs, L Brands will support such efforts, among others, and show preference for suppliers who do the same.

Implementation Strategy: As a part of L Brands' commitment to the conservation of natural resources and environmental protection, respecting human rights and to leadership and continuous improvement in these areas, we support the following implementation strategy for our policy:

- ***Legal Compliance:*** L Brands is committed to working with our forest products suppliers and other stakeholders on compliance with all relevant legal requirements.
- ***Commitment to Multi-stakeholder Engagement:*** This policy was developed as a multi-stakeholder effort between L Brands, its suppliers and environmental NGOs. L Brands is committed to continuing broad stakeholder engagement on the environment, and to collaboration, including partnerships and will give preference to suppliers who engage in multi-stakeholder, landscape-level conservation planning initiatives to identify and protect endangered forests and wilderness areas where priority areas for conservation are being defined.
- ***Reporting:*** L Brands is committed to transparent reporting of progress made in the implementation of this policy, will provide information on our progress to stakeholders via the environmental section of our website and will seek to maintain open communication with stakeholders.

- ***Incumbent Suppliers:*** In order to encourage improvements within the supply chain, L Brands will work with suppliers who were selected before the implementation of this policy to influence them to supply information to assess their practices compared to this policy. The company will use its influence to promote identified improvements. Failure by the companies to provide information or engage in identified improvements will result in non-renewal of contracts and may result in contract termination, depending on terms of the contract.
- ***Continuous Improvement:*** L Brands is committed to continually assessing its progress under this policy and making improvements to further long-term environmental, social and economic benefits.