



2025 ESG REPORT

VICTORIA'S SECRET & CO.



SIGNATURE COTTON, RELAUNCHED.

The garments featured on this cover are made with cotton sourced through our direct partnerships with women farmers in the U.S., designed with intention from the very start.

From the women who grow our materials to the women who wear them, this is how we create.
With her in mind.

VS&Co
VICTORIA'S SECRET & CO.

TABLE OF CONTENTS

About Our Company	4
About This Report	5
Our Approach to Sustainability	8
Our Objectives & Progress	11
Our Partners	13
Environment	14
Greenhouse Gas Emissions	15
Climate-Related Risk	24
Resource Use & Circularity	28
Chemicals & Wastewater Management	36
Social	42
Our Workforce	43
Our Communities	50
Workers in Our Value Chain	57
Our Customers	69
Governance	71
Traceability & Supply Chain Transparency	72
Management of Supplier Relationships	77
Business Conduct	84



ABOUT OUR COMPANY

We are a specialty retailer of modern, fashion-inspired collections including signature bras, panties, lingerie, sleepwear, apparel, sport and swim, as well as award-winning prestige fragrances and body care.

Victoria's Secret & Co. (NYSE: VSCO) is comprised of market leading brands, Victoria's Secret and PINK, that strive to inspire confidence, spark joy and celebrate sexy. Additionally, Adore Me, our digital intimates brand serves women across budgets and lifestyles. We are committed to empowering our more than 30,000 associates across a global footprint of 1,420 retail stores in approximately 70 countries.

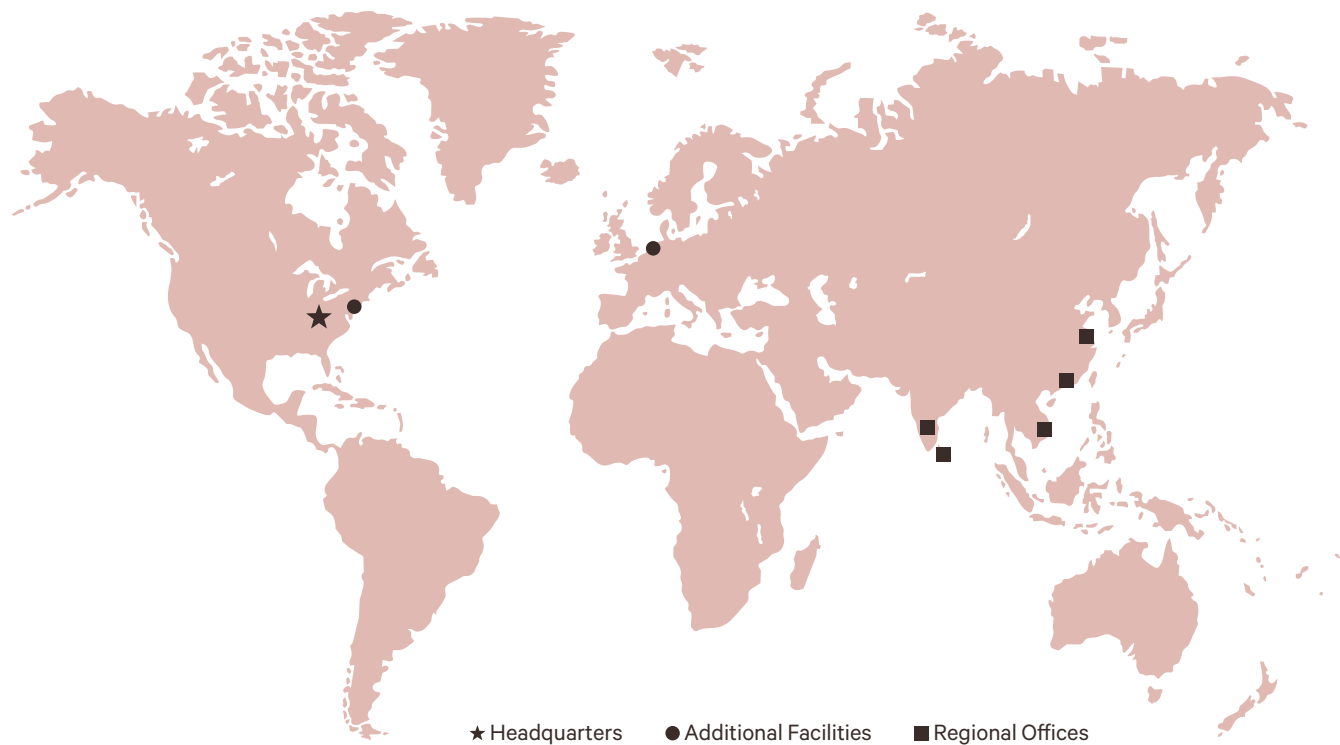
Within the US, our business is principally conducted from office, distribution and shipping facilities located in the Columbus, Ohio, area. Additional facilities are located in New York and New Jersey. We have an international distribution and shipping facility located in the Netherlands and offices in Sri Lanka, Vietnam, Shanghai, Shenzhen and Hong Kong. We also operate technology and sourcing-related office facilities in various international locations.

33,000
Associates

1,420
Stores

\$6.5B
Revenue

70
Countries



ABOUT THIS REPORT

This report presents Victoria's Secret & Co.'s ("VS&Co") environmental, social, and governance (ESG) matters for the fiscal year ended January 31, 2026.



This report reflects our continued commitment to transparency, accountability, and building a business that delivers values for our stakeholders. Disclosures are in line with the results of our 2025 materiality assessment, which identified topics most relevant to disclose for VS&Co and our stakeholders. Data represents our global operations, including corporate offices, owned and operated distribution centers, and suppliers across our lingerie, apparel, and beauty product categories.

Information in this report has been reviewed by internal subject-matter experts and auditing functions, and aligns with governance oversight provided by the ESG Committee of VS&Co's executive leadership. Unless otherwise noted, all data and information in this report pertain to the Victoria's Secret and PINK brands. The Adore Me brand is excluded unless otherwise noted. Some data or practices will only apply to our lingerie and apparel products, and this is defined throughout the report. The data and narrative contained herein has been reviewed for accuracy and select data is third-party audited as noted.

For questions or feedback, 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 U.S. Private Securities Litigation Reform Act of 1995) contained in this report or made by us, 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, and any future performance or results expressed or implied by such forward-looking statements are not guarantees of future performance. Forward-looking statements include, without limitation, statements regarding our future operating results, the implementation and impact of our strategic plans, and our goals, intentions, beliefs and expectations.

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 2025 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 20, 2026. All forward-looking statements are made only as of the date of this report.

The information in this report applies a definition and standard of materiality that is different than definitions or standards applied by investors or under federal or state securities laws and other laws.

Lingerie and Apparel Supply Chain

VS&Co's lingerie and apparel products are produced through a globally distributed supply chain organized across four tiers from raw material extraction to finished product assembly:



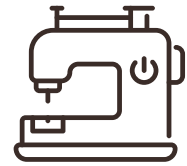
TIER 4
Raw Material
Extraction



TIER 3
Raw Material
Processing



TIER 2
Material
Production



TIER 1
Finished Product
Assembly

Our top manufacturing geographies include Vietnam, Sri Lanka, and Indonesia. We maintain long-term relationships with our core Tier 1 suppliers and vendors, many of whom have partnered with VS&Co for more than 20 years. These strategic relationships represent the majority of our production volume and provide the foundation for operational consistency and supply reliability across our value chain.

Beauty Supply Chain

We have longstanding partnerships with our beauty vendors, many of whom are located in New Albany, Ohio at a campus called the Beauty Park. As of today, the 200-acre site is the home of 14 inter-connected personal care and beauty product vendors. This integrated innovation, manufacturing, and distribution campus co-locates product development, component manufacturing, filling, packaging, and fulfillment in partnership with specialized suppliers. This vertically integrated model strengthens our supply chain visibility, quality control, and speed to market while reducing transportation between production steps.

Logistics and Distribution

Finished products are shipped from manufacturing hubs to our global distribution centers in the US and the Netherlands, which manage fulfillment for retail and e-commerce customers worldwide. Most freight moves by ocean; air freight is generally reserved for limited seasonal or expedited shipments. Domestic transportation relies on ground and intermodal carriers managed through centralized logistics contracts.

Retail and Customer Channels

We operate to seamlessly serve customers worldwide through stores and digital channels. We have approximately 860 stores in the US, Canada and China, as well as our own websites and other digital channels worldwide. Additionally, we have more than 560 stores in approximately 70 countries across Asia, Europe, the Americas, the Middle East and Africa operating under franchise, license and wholesale arrangements. Our diversified footprint combines the scale of our store network with the reach of our global e-commerce platforms to meet customers wherever they are.

2024 – 2025 BY THE NUMBERS

A snapshot of key moments across our business.

Supplier metrics reflect our intimates and apparel business, the majority of our operations.

LEADERSHIP & PEOPLE

1
new CEO appointed

5
years pay equity certified
across gender, race, and
ethnicity

80%
women directors
on our Board

CUSTOMERS & COMMUNITY

70
bra sizes across key
product lines

1.4M+
products donated to
community organizations

\$13M+
invested in women's
health research

WORKERS & SUPPLIER PARTNERSHIPS

20+
years working with core
suppliers

19,000
workers reached through
wellbeing programs

PRODUCT & SOURCING TRANSPARENCY

4
U.S. family farm partners

250M+
garments made with
directly sourced U.S.
cotton

4M+
products with digital
product passports

ENVIRONMENTAL MANAGEMENT

42%
emissions reduction
target (SBTi)

76%
of vendors pursuing
emissions reductions

42%
of fibers are lower-impact
than conventional

5
years Detox Fashion
Radar leader

OUR APPROACH TO SUSTAINABILITY

At VS&Co, we champion responsible, forward-looking business practices. In practice, this means focusing on the issues that matter most to our stakeholders and integrating them into how we run our business. This helps strengthen trust, mitigate risk, and create long-term value for our customers, communities and shareholders.



ESG (Environmental, Social, and Governance) provides the framework for us to identify the issues that matter most to our customers, communities, associates, and shareholders. By integrating ESG considerations into strategic and operational decisions, we help sustain the resources critical to our supply chain, deliver quality products our customers feel good about, and support the people who make and use our products.

Our strategy is anchored in our commitment to supporting women. Women are at the heart of our business as customers, associates, partners, and garment workers across our supply chain. Their needs and expectations shape how we prioritize and apply ESG topics across the business.

Material ESG Issues

Our materiality assessment identifies and prioritizes the ESG topics most relevant to our business and stakeholders.

In 2025, we updated our ESG materiality assessment in accordance with the latest guidance from the EU's Sustainability Reporting Standards framework, facilitated by a third-party. This process serves as the foundation for our ESG disclosures and priority topics.

Our assessment considered:

- **Impact Materiality:** where our business may have positive or negative effects on people or the planet.
- **Financial Materiality:** where ESG-related topics may present risks or opportunities that could affect our business performance, position, or value over time.

Topics were assessed across our full value chain, including upstream (suppliers, raw materials), our own operations (design, stores, corporate), and downstream (product use and end-of-life).

We engaged with stakeholders to validate and refine our findings. Thresholds were applied based on a scoring rubric, and final results were reviewed and approved by our executive leadership team.

At the conclusion of our assessment, the following topics were determined to be highest priority:

Topic	Description
Climate Change Adaptation & Mitigation	Transition and physical risks from climate change, as well as opportunities to decarbonize our supply chain and product portfolio.
Employee & Consumer Privacy	Responsible data management and cybersecurity practices that protect trust and comply with regulation.
Ethical Business Conduct & Safeguards	Policies, practices, and controls in place for integrity and compliance across our business.
Human Rights and Working Conditions in the Value Chain	Our responsibility to respect human rights and provide safe, fair working conditions in our supply chain.
Management of Relationships with Suppliers	Supplier partnerships critical to our business continuity, product quality, and ability to manage risk.
Microplastics	Managing the environmental impact of synthetic fibers and packaging materials.
Product Quality	A key driver of customer trust, brand equity, and long-term business value.
Resource Use & Circular Economy	Efficient material use and design for longevity, recyclability, or reuse.
Training & Skills Development	Investing in the professional development and long-term success of our employees.
Waste	Management of operational and product waste, including excess inventory and packaging.

These topics represent the most critical areas for us to mitigate risk, drive positive impact, and grow long-term value and resiliency. While other topics remain important, these topics guide our reporting priorities and focus in the near term. Executive leadership maintains primary oversight of these topics through the ESG Committee, which is responsible for alignment between business strategy and sustainability priorities. Members of the ESG Committee report regularly to the Nominating and Governance Committee of our Board of Directors.

Stakeholder Engagement

We continuously engage with stakeholders to ensure their viewpoints and feedback inform our priorities and initiatives. This engagement is primarily through our Community Relations, External Affairs, Investor Relations, Consumer Insights, and Customer Care teams. How we collaborate with our key stakeholders is described below:

Stakeholder Group	How We Engage
Customers	Surveys, social media engagement, loyalty programs, brand events, in-store support and customer care channels
Associates	Quarterly all company meetings, internal communications, engagement surveys, learning and development programs, Inclusion Resource Groups
Suppliers	Regular meetings, daily communication, partner summits, factory visits, internal and third-party audits
Investors	Quarterly earnings reports and calls, investor conferences, annual shareholder meetings, direct engagement, and disclosures
Communities & NGOs	Local partnerships, philanthropy programs, community service, and donations
Supply Chain Workers	Worker feedback channels (including anonymous grievance mechanisms), third-party worker surveys, in-person factory visits, supplier engagement and training programs, and partnerships that support worker wellbeing and empowerment

Sustainability Governance

Board Oversight

The Nominating and Governance Committee of the Board of Directors (Board) exercises oversight of ESG matters on behalf of the Board, including reviewing programs, policies and strategies relating to sustainability and social responsibility and monitoring progress of initiatives and goals in these areas bi-annually.

Executive Leadership

The ESG Committee, a cross-functional leadership team that reports to the Nominating and Governance Committee of the Board, meets every four to eight weeks. The Committee sets ESG priorities, monitors progress including key performance metrics, and ensures sustainability considerations are embedded across business functions.

ESG risks are also integrated into the company's enterprise risk management framework to align with broader business planning.

Operational Implementation

Supporting the ESG Committee, the ESG & Sustainability team manages day-to-day coordination and reporting. Through partnership with functional leaders, the ESG team translates corporate objectives into action across product design, sourcing, operations, and communications. To drive accountability in critical areas, we have sub-committees on Climate, Traceability, and Human Rights. These forums bring together subject matter experts and functional leaders to develop roadmaps, track progress, and escalate emerging issues. Each sub-committee is overseen by an executive sponsor who participates in the ESG Committee.

OUR OBJECTIVES & PROGRESS

Our key ESG objectives reflect our focused efforts on the issues most relevant to our business and stakeholders. They define where we aim to make progress and where we actively uphold established standards.



We track and disclose our progress against these objectives over time, providing a view of where we are today and go-forward.





OUR OBJECTIVES & PROGRESS

Additional detail on definitions, scopes, and methodologies is provided in the relevant sections of this report.



Climate and Energy Transition

-  **Reduce absolute Scope 1, 2, and 3 emissions 42% by 2030 from a 2022 baseline**
 Scope 1: -37% • Scope 2: -5% (Market) -10% (Location) • Scope 3: -1%
-  **Support supplier transition toward renewable and low-carbon energy**
 Suppliers pursuing reductions: 77% Finished-good vendors / 80% Material vendors
 Suppliers with on-site renewable energy: 54% Finished-good vendors / 67% Material vendors


Materials and Circularity

-  **Increase preferred fibers in our assortment**
 Preferred fibers represented 42% of total fiber use in 2025, up from 17% in 2021
-  **Recover returned and damaged products at end of life**
 Reverse logistics in place to route all U.S. returns and damages to resale, donation, recycling, or energy recovery




Chemicals and Water Stewardship

-  **Advance safer chemical use in textile processing**
 All raw materials used in our garments must be certified to OEKOTEX™ Standard 100 or tested to our requirements
 96% of reviewed chemical formulations met ZDHC Manufacturing Restricted Substances list level 1 requirements
-  **Improve wastewater quality at textile wet processing facilities**
 72–100% conformance across key wastewater quality measures with remediation according to corrective action procedures

Our Workforce

-  **Sustain pay equity across genders, races, and ethnicities**
 Achieved pay equity certification, 2021–2025
-  **Maintain strong Associate Opinion Survey participation and engagement results**
 92% of associates participated in the survey, with 83% feeling engaged in their work, exceeding industry benchmarks

Workers in Our Value Chain

-  **Support 50,000 workers through RISE Respect™ programs from 2024–2028**
 19,000+ workers reached through VS&Co-sponsored trainings
-  **Ensure effective worker grievance channels through audit and monitoring**
 100% facilities¹ with accessible, anonymous grievance channels in 2025
-  **Validate and continuously improve responsible working conditions through regular audits**
 100% facilities¹ audited, with 98% unannounced in 2025

¹ In-scope facilities includes 100% of Tier 1 manufacturing facilities, Tier 2 nominated vendor facilities, and Tier 3 spinning mills.

 Achieved
  In Progress

OUR PARTNERS

Change doesn't happen alone. We partner with third parties to bring additional expertise and perspective to our work, helping strengthen how we operate across our business and supply chain.

 Textile Exchange	 a ii	 Cascale	 SCIENCE BASED TARGETS
			
			
			

ENVIRONMENT

VICTORIA'S SECRET & CO.



GREENHOUSE GAS EMISSIONS

Greenhouse gas emissions produced across our value chain contribute to climate change, affecting people and communities globally. For VS&Co, reducing emissions is part of strengthening our business resilience and supporting the people and communities throughout our value chain. It helps us meet evolving stakeholder expectations and informs how we design and produce our products.



We are addressing emission reductions by transitioning to lower impact materials, improving energy efficiency across our facilities, optimizing transport modes, and partnering with suppliers to accelerate adoption of renewable energy and other lower carbon solutions. These efforts form the foundation of our decarbonization strategy and support progress toward our science-based targets.

EMISSIONS OVERSIGHT

In 2025, VS&Co's near-term greenhouse gas reduction targets were validated by the Science-Based Targets initiative (SBTi), reflecting alignment with the latest climate science. These targets anchor our decarbonization roadmap and inform our delivery pathway.

Our emissions reduction roadmap includes scope-specific operational pathways aligned with the GHG Protocol categories:

Scope 1 (Direct Emissions)

Reduction is driven through decreased fuel combustion, fleet and aviation changes, facility equipment, and operational efficiency.

Scope 2 (Purchased Electricity)

Reduction is driven through emissions-free and renewable electricity procurement and energy efficiency across owned and operated facilities.

Scope 3 (Value Chain Emissions)

Reduction is driven through supplier energy transition, lower-impact material adoption, logistics optimization, and product design improvements.

Implementation of this roadmap is overseen by the Climate Subcommittee, led by our Manager of Business Transformation, and reporting to the ESG Committee. The subcommittee manages cross-functional execution and monitors progress against our climate goals.

How We Manage Environmental Impact

We take a structured approach to managing environmental impacts across our operations and supply chain. This includes identifying where impacts occur, tracking performance over time, and taking action where improvement is needed.

Our approach is supported by clear policies, supplier expectations, risk assessments, performance tracking, and regular management review. When issues are identified, we work with teams and suppliers to address them.

Environmental performance is also considered in decision making, including sourcing, product development, and supplier engagement.

EMISSIONS STRATEGY

VS&Co's climate strategy is anchored by our validated science-based targets:

1. Reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2022 base year
2. Reduce absolute Scope 3 GHG emissions by 42% by 2030 from a 2022 base year

To deliver on these targets, our decarbonization approach is structured around four key pillars:

- **Lowering Emissions in Our Own Operations:** By improving energy efficiency, incorporating the use of renewable electricity across VS&Co-operated facilities, and improving logistics efficiency to reduce transportation emissions.
- **Reducing Product-Level Emissions:** By adopting lower-impact materials and improving manufacturing processes and product design
- **Enabling Supplier Decarbonization:** By supporting suppliers in measuring emissions, setting reduction targets, and accelerating renewable energy adoption through technical support, performance management, and access to financing.
- **Strengthening Emissions Data and Traceability:** By improving the accuracy and consistency of Scope 3 data so it can be used more effectively in sourcing decisions, supplier engagement, and tracking progress against our SBTi-aligned targets.

Together, these priorities guide how we reduce emissions across our operations, products, and supply chain.

MEASURING & REDUCING EMISSIONS

Measuring Emissions

Measuring our greenhouse gas (GHG) emissions annually provides critical insight into the emissions profile of our operations and value chain to identify hotspots and areas of opportunity. Our calculation methodology follows the Greenhouse Gas Protocol and covers Scope 1 (direct), Scope 2 (purchased energy), and Scope 3 (value chain) emissions, representing the lifecycle of our products and is inclusive of Adore Me.

Our analysis shows over 90% of VS&Co's total emissions occur in the upstream supply chain, a trend in line with the retail sector. The most carbon-intensive areas are non-renewable energy use at fabric mills and garment factories, transportation of finished goods, and production of synthetics and cotton.

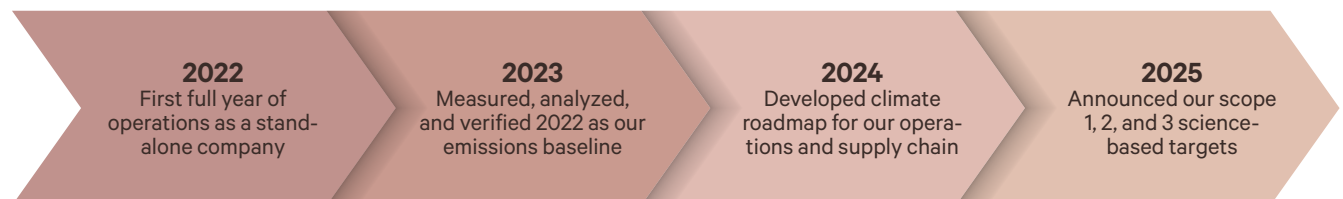
We analyze emissions both at the production facility level and at the product level, which enables us to:

- Identify hot-spot materials, product categories, and factories with the greatest reduction potential
- Prioritize high-impact suppliers and regions for engagement and support
- Guide design and sourcing decisions toward lower-impact inputs
- Evaluate logistics and packaging efficiencies to reduce downstream impacts

At the end of each fiscal year, we collect and analyze year end data across our facilities, procurement, and from our supply chain partners via Higg Facilities Environmental Module (FEM). We partner with environmental consultants to analyze the data and ensure completeness and accuracy. We then partner with a third-party, APEX, to audit and validate our emissions.

We regularly review our greenhouse gas emissions quantification methodologies to improve the accuracy of our footprint. In 2024, we made several improvements to our methodology, including updated emissions factors and improved product-level data. These changes impacted our Scope 2 and Scope 3 emissions but did not result in a material impact to our baseline or reported progress toward emissions reduction targets, and did not trigger a formal re-baselining. To improve comparability across years, the updated methodology has been applied retrospectively to historical reporting.

We continue to improve access to data each year through deepening traceability in our supply chain and refining reporting with our supply chain partners. These insights form the foundation of our decarbonization roadmap and are used to set baselines, inform SBTi targets, and shape supplier-specific action plans. More information on traceability can be found in the Traceability section of this report.



Reducing Emissions

Our emissions baseline is FY2022, our first full year as a standalone company. Since then, we have focused on building the data, systems, and roadmap needed to support emissions reductions over time.

As of fiscal year 2024:

- **Scope 1** emissions have decreased 37% from the baseline (29% versus FY2023), primarily due to lower transport fuel use.
- **Scope 2** market-based emissions have declined 5% from baseline (5% versus FY2023), reflecting lower electricity demand in retail locations through footprint optimization and improved data availability. We continue to source carbon-free energy through Emissions-Free Energy Certificates from our provider, Energy Harbor.
- **Scope 3** emissions remained nearly flat (decreased 1% from the baseline). We continue to address important levers such as improving supplier emissions and adopting more preferred fibers, which have led to a 6% reduction in purchased goods and services emissions. We also saw a decrease in waste generated in operations, mostly driven by lower retail waste. Meanwhile, we experienced increases in other scope 3 categories, including capital goods (associated with store maintenance and remodels), upstream and downstream transportation (due to increased air freight), fuel- and energy-related activities, business travel, employee commuting, and franchises.

The reductions we have seen, particularly in Scope 1 and Scope 2, reflect early actions within our direct operations. We have also focused on building the data, systems, and supplier engagement needed to support broader emissions reductions over time across our value chain. As these capabilities advance, we expect to expedite the pace and scale of our emissions reductions. We are reducing emissions across the following areas:

Change in Emissions (2022 - 2024):

- Scope 1: -37%
- Scope 2 (Market): -5%
- Scope 2 (Location): -10%
- Scope 3: -1%

Operations: Energy and Logistics

We are reducing emissions from VS&Co-operated facilities through energy efficiency and the use of lower-carbon electricity. Our Columbus-based home office and distribution centers operate on 88% carbon-free energy through Emissions-Free Energy Certificates. Facility upgrades include LED lighting, motion-activated lights, and HVAC optimization to reduce energy demand.

Our Store of the Future retail store remodels incorporate energy-efficient lighting, high-efficiency HVAC systems and hand dryers, while open layouts reduce construction material use and waste. As additional stores are remodeled under this design, we are beginning to track energy performance and material reuse to better understand savings and emissions reductions over time.

Our transportation model prioritizes lower-impact freight modes, including ocean shipping, and improved container utilization through trailer stacking techniques. We monitor transportation emissions and the proportion of third-party logistics partners with SBTi-validated targets.

88% of electricity use in our home office and distribution centers is sourced through carbon-free energy certificates

Products: Materials and Design

Product-related emissions are influenced by material selection. We are reducing these emissions by increasing the share of materials with proven lower environmental impacts in our product portfolio.

Our Product Creation Guidelines, an internal tool developed in partnership with Sustainability, Design, and Raw Materials teams, guide internal partners on the adoption of fibers and components with lower emissions profiles, including recycled and regenerative options. Lifecycle assessment insights are used to identify high-impact materials and processes, supporting targeted improvements in product development.

Further detail on material transitions and circular design is provided in the *Resource Use and Circularity* section of this report.

Supplier Collaboration and Enablement

Because most emissions occur upstream, supplier partnerships are essential to reducing our emissions. Our approach combines clear expectations, technical guidance, financial mechanisms, and performance management to help suppliers reduce emissions over time.

Supplier Expectations

We communicate environmental expectations through regular meetings and annual Supplier Summits. We encourage suppliers to report environmental data through the Higg Facility Environmental Module (FEM). Completion and verification rates are tracked annually and incorporated into sourcing scorecards.

We also communicate to suppliers our expectation that they phase-out coal and transition to renewable electricity by 2030 and provide support for them to do so.

Supplier Support and Capacity Building

Our Sustainability and Sourcing teams collaborate with suppliers to interpret greenhouse gas data, identify efficiency opportunities, and connect them with technical partners or financing programs to help reach their emission goals.

- Through the Apparel Impact Institute's Carbon Leadership Program, we sponsor selected suppliers to receive training and tools to measure emissions, set reduction targets, and develop site-specific decarbonization roadmaps.
- We have developed guidelines to support suppliers in transitioning away from fossil fuels for thermal energy generation. These guidelines emphasize that biomass should be used only in specific applications. Electrification is identified as the most effective and currently preferred solution. We are also developing a toolkit to help factories evaluate renewable energy options.
- Through the Apparel Impact Institute's Renewable Energy Transition Initiative, we sponsor suppliers to receive technical support to identify and implement the most cost-effective renewable energy solutions that can integrate into their existing systems.

Supplier Financial Enablement

In partnership with HSBC, VS&Co launched a sustainable supply-chain finance program, rolling out to vendors in 2026, that expands upon our existing supply-chain finance offering. The program provides deeper preferred-rate invoice payments for suppliers demonstrating verified environmental and social progress, including climate performance improvements. This is intended to unlock capital for low-carbon investments and recognize leadership among suppliers. More information is provided in the “Management of Supplier Relationships” section.

Supplier Continuous Improvement and Accountability

Supplier progress is reviewed annually using environmental performance scorecards informed by Higg FEM data. When suppliers face challenges in meeting expectations or encounter barriers to reducing emissions, VS&Co engages directly to understand root causes and identify practical solutions. The focus is on building capability and supporting improvement rather than compliance enforcement alone.

If a supplier consistently fails to report data, declines engagement, or shows limited progress against agreed improvement pathways, the situation is assessed based on regional context and supplier readiness which may inform sourcing decisions. Insights from these engagements contribute to VS&Co’s broader climate strategy, shaping future training priorities, the design of financial incentives, and risk mapping, so that both progress and challenges inform the next cycle of action and decision-making.

Over 90% of emissions occur in our upstream supply chain, making supplier engagement central to our decarbonization journey.

Supplier Data and Systems

Accurate and consistent data is essential to managing emissions reduction at scale. We continue to strengthen how Scope 3 emissions data is collected, validated, and integrated into our systems.

Traceability efforts play a central role in improving emissions data quality by enhancing visibility into materials, suppliers, and production processes. As data coverage expands, emissions information becomes more usable in sourcing strategies, supplier prioritization, and product-level decision-making. See more in the Traceability section of this report.

We are also refining reporting systems and supplier disclosure processes to improve consistency across facilities and regions. These investments support both external reporting requirements and internal performance management, ensuring that emissions data increasingly functions as a management tool rather than solely as a disclosure output.

Industry Collaboration

VS&Co engages with industry sustainability coalitions, including Cascale, the Apparel Impact Institute and Textile Exchange, key influences in harmonizing data approaches, sharing best practices, and scaling decarbonization impact across the apparel sector.

EMISSIONS METRICS

These metrics show our greenhouse gas emissions across Scopes 1, 2, and 3, along with energy use and supplier-related indicators. Together, they provide insight into where emissions occur and how we are tracking performance over time relative to our 2022 baseline.

Greenhouse Gas Inventory	2022	2023	2024
Greenhouse gas emissions (metric tons CO2e)	1,132,294	1,100,150	1,113,156
Scope 1 emissions	17,320	15,216	10,846
Scope 2 emissions, market-based	62,032	62,449	59,116
Scope 3 emissions	1,052,942	1,022,485	1,043,194
3.1 Purchased goods and services	683,012	633,058	639,442
3.2 Capital goods	9,829	29,649	20,380
3.3 Fuel and energy related activities	15,770	23,576	22,535
3.4 Upstream transportation and distribution	146,699	145,618	159,647
3.5 Waste generated in operations	67,441	58,352	58,196
3.6 Business travel	5,512	8,332	8,918
3.7 Employee commuting	37,419	40,571	45,383
3.8 Upstream leased assets	101	101	101
3.9 Downstream transportation and distribution	18,894	20,636	20,264
3.10 Processing of sold products ¹	N/A	N/A	N/A
3.11 Use of sold products	1,273	739	696
3.12 End of life treatment of sold products (Candles only) ²	33,956	30,525	32,909
3.13 Downstream leased assets	1,289	1,215	1,418
3.14 Franchises	12,714	13,140	18,483
3.15 Investments	19,034	16,972	14,823
Scope 1 emissions intensity value, (metric tons CO2e per net sales, USD in millions)	2.73	2.46	1.74
Scope 2 market-based emissions intensity value (metric tons CO2e per net sales, USD in millions)	9.78	10.1	9.49
Scope 2 location-based emissions intensity value (metric tons CO2e per net sales, USD in millions)	13.31	13.89	12.23
Scope 3 emissions intensity value (metric tons CO2e per net sales, USD in millions)	165.97	165.4	167.45

Intimates, Apparel, and Accessories Supply Chain Climate Metrics	2022	2023	2024
Tier 1: Finished Product Manufacturing³			
Completion of Higg FEM assessment, by FOB	81%	86%	91%
Intimates and Apparel suppliers with Higg FEM assessment completed and third-party verified, by FOB	N/A	84%	86%
Suppliers pursuing emission reduction targets, by FOB, targets in place	83%	81%	77%
Suppliers pursuing emission reduction targets, by FOB, SBTi-committed	71%	78%	75%
Suppliers implementing energy efficiency measures, by FOB	N/A	50%	62%
Supplier utilizing renewable electricity, by FOB	N/A	51%	56%
Electricity from renewable sources ⁴	N/A	15%	19%
Suppliers burning coal, by FOB	N/A	.4%	.5%
Emissions attributed to coal ⁴	N/A	.05%	3%
Suppliers enrolled in Carbon Leadership Program or other industry sponsored initiative, by FOB	N/A	13%	13%
Factories that have rooftop solar, by FOB	N/A	44%	54%
Facilities that are using 100% renewable electricity (#) ⁴	N/A	4	6
Tier 2: Material Manufacturing⁵			
Completion of Higg FEM assessment, by FOB	93%	98%	97%
Suppliers with Higg FEM assessment completed and third-party verified, by FOB	N/A	96%	97%
Suppliers pursuing emission reduction targets, by FOB, targets in place	44%	79%	80%
Suppliers pursuing emission reduction targets, by FOB, SBTi-committed	30%	31%	28%
Suppliers implementing energy efficiency measures, by FOB	N/A	51%	72%
Suppliers utilizing renewable electricity, by FOB	N/A	68%	74%
Electricity from renewable sources ⁶	N/A	14%	15%
Suppliers enrolled in Carbon leadership Program or other industry sponsored initiative, by FOB	N/A	51%	62%
Suppliers burning coal, by FOB	N/A	42%	35%
Emissions attributed to coal ⁶	N/A	31%	35%
Suppliers that have rooftop solar, by FOB	N/A	66%	67%
Facilities that are using 100% renewable electricity (#) ⁶	N/A	5	7
Tier 3: Intermediate Material Processing			
Yarn volume (kg) from suppliers completing the Higg FEM	N/A	N/A	18%
Transportation and Logistics			
Third-party logistics providers (by spend) with SBTi commitments or targets	7%	8%	20%

Owned and Controlled Operations Metrics ⁷	2022	2023	2024
Total electricity consumed, MWh	211,237	207,354	203,269
Electricity from emissions-free sources, MWh	49,122	50,932	51,820
Percentage of electricity from carbon-free sources	23%	25%	25%

Beauty Manufacturing ⁸	2024
Beauty suppliers with SBTi commitments or targets (% spend)	36%
Beauty suppliers rated Ecovadis silver or above (% spend)	31%

¹ In accordance with the GHG Protocol Corporate Value Chain Standard, we conducted a relevance assessment for all Scope 3 categories. Because our products are not subject to any processing after sale, Category 10 (Processing of Sold Products) was determined to be not relevant and has not been reported.

² Includes emissions from candle use and in immaterial percent of emissions from a subsidiary

³ Intimates, apparel and accessories, vendors

⁴ For supply chain partners completing the FEM

⁵ Includes suppliers of core textile materials (i.e. fabric, lace, elastic) which makes up the majority of Tier 2 spend

⁶ Includes all Tier 2 suppliers (i.e. manufacturers of textiles, pads, trims) that completed Higg FEM

⁷ Stores, home offices, and distribution centers

⁸ 2024 was the first year for beauty manufacturing data collection



CLIMATE-RELATED RISK

Climate change is reshaping how and where products are made, influencing supply chain stability, production continuity, and the conditions under which people work. For us, understanding and managing these changes is part of maintaining reliable operations and supporting the long-term resilience of our supply chain.



We approach climate-related risk by integrating both physical and transition considerations into how we assess our supply chain and plan for continuity. This includes evaluating where operations and suppliers may be exposed to disruption, and how evolving energy systems and regulatory requirements may affect long-term sourcing and production.

Our focus is on strengthening visibility into these risks and embedding them into decision-making, so that we can respond effectively over time.

CLIMATE RISK OVERSIGHT

Oversight of climate-related risk is integrated into VS&Co's enterprise risk management (ERM) framework to ensure climate considerations are evaluated alongside financial, operational, and compliance risks.

The Climate Subcommittee leads the assessment and coordination of climate-related risks, including both physical and transition risks.

Physical risk exposure at the supplier level (particularly in lingerie and apparel manufacturing countries) is assessed and incorporated into sourcing decisions and strategy. This includes evaluating vulnerabilities to climate hazards such as heat, flooding, and storm-related disruption.

Any significant risks identified in the ERM framework are escalated through VS&Co's ERM process and reviewed under the oversight of the Audit Committee of the Board of Directors.

OUR APPROACH TO CLIMATE RISK

VS&Co's approach to climate-related risk focuses on maintaining visibility into physical and transition risks and integrating these considerations into sourcing, planning, and operational decisions.

Today, our focus is on strengthening our understanding of climate-related risks across the value chain by:

- Expanding supply chain traceability, including farm-level visibility for climate-sensitive materials such as cotton
- Leveraging results from third-party climate models to assess location-based vulnerabilities
- Strengthening supplier readiness and preparedness for disruptions such as extreme weather, heat stress, and water-related risks
- Providing technical training and resources to suppliers to reduce their exposure to transition risks by supporting energy efficiency and renewable energy adoption

Climate risks are most significant in our upstream supply chain, where production is concentrated in regions exposed to heat, flooding, and water-related risks.

IDENTIFYING & MANAGING CLIMATE RISKS

VS&Co's climate risk management process combines external climate data with internal risk evaluation to identify and prioritize climate-related risks across our operations and supply chain.

In 2024, we partnered with an environmental consultant to assess exposure to climate hazards across our global footprint, including corporate offices, retail stores, distribution centers, and suppliers.

Climate risks are evaluated based on:

- potential impact
- exposure across our operations and value chain
- our ability to mitigate or adapt

These assessments are supported by external datasets, including those from the International Energy Agency (IEA), the Intergovernmental Panel on Climate Change (IPCC), and Climate Analytics.

Findings considered climate-related risks, opportunities, and strategic responses in the short-term (to 2030), medium-term (to 2050) and long-term (beyond 2050).

This methodology informs the prioritization of both physical and transition risks, guiding subsequent strategic and operational planning.

Climate risks are identified and evaluated through cross-functional collaboration, drawing on expertise from sourcing, logistics, sustainability, and enterprise risk management teams. Supplier exposure and preparedness for physical climate risks are also considered within sourcing and vendor evaluation processes, ensuring that climate risks are assessed alongside operational and financial factors during procurement decisions.

Crisis monitoring and response mechanisms, such as our Emergency Operations Center (EOC), support our ability to identify and manage acute physical climate risks. The EOC monitors supplier locations and worker safety during extreme weather events and coordinates with sourcing and logistics teams to maintain business continuity. These controls are part of our broader climate risk management process.

Physical Risks:

- Flooding
- Heat
- Water

Transition Risks:

- Regulation
- Energy systems
- Materials

Physical Risks

Changing climate patterns can reshape the regions where global apparel supply chains operate. For VS&Co, assessing these risks is important to understanding our supply chain resilience and supporting business continuity. Vietnam and Sri Lanka are two of our primary manufacturing countries, where we've partnered with suppliers for over two decades.

According to the climate databases referenced in our climate risk assessment, extreme rainfall in Vietnam is projected to double by 2030 and triple by 2050. In Sri Lanka, annual expected damage from river flooding is anticipated to increase sixfold by 2050. These climate changes pose risks of factory and workforce disruption, transportation delays, and higher costs. Heat stress across Southeast Asia is also projected to reduce labor productivity by 2050.

Transition Risks

The transition to a lower-carbon economy presents regulatory, cost, and operational implications for VS&Co and our supply chain.

Our product portfolio includes synthetic materials that may face increasing regulatory scrutiny and potential carbon pricing. Policy developments, such as emissions trading schemes, product labeling requirements, and packaging regulations, may increase compliance complexity and production costs.

Energy systems also influence transition risk. Some key supplier regions, such as Indonesia, remain heavily reliant on coal-based electricity, which may slow decarbonization and increase exposure to future carbon costs.

Evolving packaging regulations across North America, Europe, and Asia, including extended producer responsibility and recycled content requirements, are also reshaping material and design decisions.

Opportunities

This transition also presents opportunities in scaling low-impact materials and circular design. We are increasing our adoption of preferred fibers with positive social and environmental impacts, including recycled fibers and direct-source, regenerative cotton. We continue to partner with our supply chain on decarbonization efforts, with 77% of tier 1 and 80% of tier 2 core material suppliers (per total spend, FOB) already committed to emission reduction efforts.

Scenario Analysis

We conducted scenario analyses under both a 2°C (SSP1–2.6) and a 4°C (SSP5–8.5) warming pathway.

- In a 2°C scenario, transition risks increase as regulations, carbon pricing, and material constraints accelerate.
- In a 4°C scenario, physical risks such as flooding, heat stress, and supply disruption become more severe.

These scenarios indicate that both transition and physical risks require ongoing management. Building resilience will depend on supplier engagement, sourcing flexibility, renewable energy adoption, and circular product design.

Mitigation and Adaptation Actions

To address identified risks, we focus on mitigation, aiming to reduce greenhouse gas emissions throughout the value chain, and adaptation, which focuses on strengthening resilience to the physical impacts of climate change.

Mitigation

Mitigation activities include supporting the decarbonization of our supply chain, where the majority of our emissions occur. We regularly and proactively engage with our supply chain partners to understand their plans, progress, and obstacles for reducing their emissions, and we support them in setting their own targets. See more information in the Greenhouse Gas Emissions section of this report.

We are also embedding circular design principles into product development to reduce impacts of our materials, extend product lifespans, and support future circular business models. This includes prioritizing lower-impact fibers, minimizing material waste, and designing for durability and recyclability, all critical levers in apparel decarbonization that are scaling in the industry. Find more information in the Resource Use and Circularity section of this report.

Additional mitigation actions include continued prioritization of lower-carbon transportation methods including moving shipments from air to ocean freight, optimizing routes, and improving container utilization.

Adaptation

Adaptation priorities are informed by scenario analyses, including those consistent with a 4°C warming future. At this stage, our primary focus is on building a more robust understanding of our supply chain vulnerabilities so we can target future resiliency investments effectively. A key component of this effort is investing in improved traceability, extending back to tier 4 (farm level). This enhanced visibility helps us better understand crop and water-related risks, particularly for cotton and other climate-sensitive raw materials, and provides a foundation for future adaptation planning.

Future adaptation opportunities include strengthening supplier facility resilience to heat and water stress and expanding screening for exposure to flooding, storms, and extreme heat. These opportunities will be evaluated as our risk understanding deepens and as adaptation practices mature across the industry.



RESOURCE USE & CIRCULARITY

How we source, design, and manage materials is central to our product performance, supply chain stability, and cost efficiency. Our products rely on a continuous flow of natural and manufactured resources, making responsible use of those resources an important part of how we operate.



Resource use in the fashion industry is typically linear: materials are extracted, products are made and used, and often discarded. We are focused on reducing unnecessary resource use where possible, increasing the share of preferred materials, and supporting reuse, recycling, and material recovery over time.

These efforts help reduce waste, improve efficiency, and strengthen our ability to adapt as resource, regulatory, and market conditions evolve.

RESOURCE USE OVERSIGHT

Oversight of product-related resource use and circularity sits with our head of Production and Sourcing, and packaging-related resource use with our head of Procurement. The Sustainability team translates enterprise-level goals into guidance, tools, and checkpoints that help design, sourcing, and raw materials teams embed sustainability into their decisions from the earliest stages of product creation. Day-to-day direction is executed within our product development and procurement processes.

Senior product and brand leaders meet at least bi-annually to discuss strategic direction, including market trends, innovation, and go-forward plans. These reviews inform raw material planning and seasonal design milestones.

The following policies and frameworks guide how our materials are selected, designed, and managed:

- **Preferred Materials Matrix:** Defines environmental and social performance expectations for materials in our lingerie, apparel, and accessories business, giving design and sourcing teams a consistent reference for selecting preferred fibers and materials. We align with Textile Exchange's definition of preferred materials: "those that deliver reduced impacts and improved outcomes for climate, nature, and people compared to conventional equivalents." Within this definition, we place an added emphasis on tracing material

origin to validate social and environmental impact to inform our final list of approved preferred materials. Cotton sourced through mass balance sustainability schemes does not qualify on our “Preferred” list due to limited traceability and transparency.

- **Product Creation Guidelines for Sustainability:** Outlines circular design, low-impact fiber selection, and responsible processing practices embedded in the lingerie and apparel product development process.
- **Packaging Guidelines for Sustainability:** Prioritizes principles of recycled and other certified content, lightweighting, and designed for recyclability.
- **Animal-Derived Materials Policy:** Prohibits the use of exotic skins, fur, or materials from animals raised solely for their hides or pelts, aligned with the Five Freedoms of animal welfare.
- **Forest-Based Product and Packaging Policy:** Requires cellulosic fibers and paper-based materials in apparel, packaging, and other paper-based products to be sourced from responsibly managed forests and exclude high-conservation or ancient forest sources.
- **Global Beauty Ingredients Policy, and Fragrance and Flavors Policy:** Defines expectations for ingredient selection, listing of restricted and banned substances, and transparency requirements that go beyond regulatory mandates.

Ongoing training and milestone meetings bring together Design, Sourcing, and Sustainability teams to review product sustainability and traceability status, requirements and best practices, new material and process innovations, and go-forward plans.

Traceability is foundational to this work, improving our visibility into where product and packaging materials come from and how they move through our value chain. Please reference the Traceability section of this report for additional information.

Resource Use at a Glance

- Preferred fibers increased from 17% to 42%
- Cotton is our most used fiber
- Direct sourcing at farm level
- Recovery system in place for product returns & damages

OUR APPROACH TO RESOURCE USE

We address resource use and circularity by tracing resource inputs across our value chain to identify where impacts occur, measuring performance to target impact areas, and improving outcomes through material selection, design, and value chain collaboration. Our objectives include:

- **Reducing Resource Use and Waste Generation:** to reduce unnecessary material use across products and packaging, lower costs, and improve resource efficiency across our operations and supply chain.
- **Increasing Preferred Materials:** to prioritize fibers and materials with improved environmental or social outcomes, helping reduce upstream impacts and improve the footprint of our products.
- **Measuring Product Environmental Impacts:** with deeper analysis and more primary data each year to improve our understanding of the impact of our products, inform product development and sourcing decisions, and track progress.
- **Increasing Transparency on Product Impacts:** to equip our customers with information on the impact of their purchases, so they are empowered to make informed decisions.

UNDERSTANDING & IMPROVING RESOURCE IMPACTS

Evaluating Resource Impacts

VS&Co evaluates where and how our operations and products have the greatest impacts on resource use to focus improvements where they matter most. We utilize traceability, lifecycle data, and third-party analysis to understand risks and opportunities across our value chain.

- **Traceability:** Traceability plays an important role in strengthening the quality and usefulness of product environmental data. By improving visibility into the origin and flow of materials across our value chain, we are increasingly able to connect environmental assessments with supplier- and producer-level information. This allows us to move beyond generalized industry averages and incorporate more primary data from partners, improving the accuracy of lifecycle assessments and helping identify the materials and processes with the greatest opportunity for improvement. We can then engage directly with the producers to partner on improvements. See more information in the Traceability section of this report.
- **Material Selection:** We recognize that material selection is among the most significant contributors to our products' environmental and social impacts, and we are therefore committed to increasing the share of preferred materials in our assortment year over year. We leverage third-party certifications, primary supplier data, lifecycle assessments, and tools such as the Carbonfact platform to substantiate and verify these impact reductions.
- **Raw Material Nomination:** We nominate the vast majority of raw materials for lingerie and apparel to build supplier partnerships and better understand and influence environmental and social impacts.
- **Paper and Forest-Based Products:** We assess forest-related risks in packaging, manmade cellulosic fibers, and other paper-based inputs through our partnership with Canopy, which helps identify high-risk materials and suppliers and supports sourcing from verified, responsibly managed forests.
- **Product Environmental Footprints:** In partnership with Carbonfact, we are conducting product-level lifecycle analyses across our lingerie and apparel portfolio. These analyses provide insight into emissions, water use, and energy intensity across product lifecycles and help target materials and processes with the highest improvement potential.
- **Primary Data:** Our aim is to gather as much primary data as possible to strengthen the accuracy and credibility of our sustainability assessments. Our traceability efforts are foundational to this approach, enabling deeper visibility into our supply chain and access to supplier-level data. When evaluating new materials and innovations, we prioritize third-party verified lifecycle assessments (LCAs). As part of this ongoing effort to improve data quality, in 2025 we initiated the first LCA of our direct-source cotton program in Alabama.
- **Microplastic Pollution:** Addressing microplastic pollution is an emerging priority for the apparel industry, and we are taking steps to better understand and address this risk within our operations. In 2025, we analyzed testing data to serve as a starting point for establishing a baseline for synthetic microfiber shedding across our core raw materials. These insights will help inform future internal guidance on material selection and product development, as scientific understanding and industry best practices continue to evolve.
- **Packaging Attributes Assessment:** We are improving how we capture packaging attribute data, including material composition, recyclability, and recycled content, to identify opportunities to reduce material use and improve packaging performance over time.

Findings from these assessments inform fiber and packaging strategies, product-design guidelines, and sourcing priorities, ensuring investments are directed toward materials and innovations that yield measurable improvements.

Improving Resource Use

We are improving our product and packaging footprint by reducing unnecessary material use, increasing the use of preferred materials, and partnering with suppliers to advance lower-impact material innovations.

Product Materials

The share of preferred fibers in our lingerie and apparel increased from 17% in 2021 to 42% in 2025, driven by expanded use of responsibly sourced cotton and recycled synthetics.

Cotton: Cotton is consistently our most sourced fiber by volume and a priority in our materials strategy. Due to the environmental and social risks associated with the cultivation and processing of cotton, including water intensity, soil degradation, biodiversity loss, greenhouse gas emissions, and labor rights considerations in cotton-growing regions, we engage directly with Tier 3 and 4 suppliers to strengthen verification, support regenerative practices, and improve visibility into social and environmental outcomes.

Since 2021, we have sourced cotton directly from four family-run farms in Alabama. To date, more than 250 million bras and panties have been produced with cotton from these farms. In 2025, direct-source cotton represented 14% total cotton consumed. We are working with participating farms to expand ongoing regenerative practices and track resulting ecosystem benefits, including improvements in soil health over time.

Synthetic Fibers (Polyester & Polyamide): Synthetic fibers deliver performance attributes such as stretch, durability, moisture management, shape retention, and comfort that support product fit and function. They are also associated with environmental concerns like microplastics and emissions with fossil-fuel based feedstocks and processing. With an increase in interest in natural fibers, our fiber portfolio is shifting to use more natural fibers and decreasing synthetic fibers.

The overall share of synthetic fibers in our portfolio has decreased annually while natural fibers is increasing. Within the synthetic fibers we are using, we are increasing our use of recycled and lower-impact synthetics each year.

For the synthetic fibers we use, we evaluate lower-impact alternatives. In 2025, we manufactured approximately 90,000 units with Ecolactam®, a lower carbon footprint nylon made with Fibrant's process improvements including renewable energy, smart steam recycling, and emissions capturing technology. To advance circularity solutions for our synthetics, we are partnering with Syntetica to support the commercialization of its nylon textile-to-textile recycling technology that uses lower temperatures and green chemistry.

Manmade Cellulosics (Viscose, Modal, Lyocell): Manmade cellulosic fibers, including viscose, modal, and lyocell, are derived from wood pulp and depend on forest ecosystems. We source these materials exclusively from suppliers that provide full transparency across their supply chains and meet our responsible forestry requirements, in line with **CanopyStyle** guidelines. We require our manmade cellulosic suppliers to meet Canopy's Dark Green Shirt and Flask rating, ensuring the wood pulp used in our products does not originate from ancient or endangered forests and helps prevent deforestation, the loss of high conservation value forests, and associated human rights risks.



Polyurethane Foam: Polyurethane (PU) foam plays a critical role within our bra category. Conventional PU foams are typically derived from fossil fuel-based inputs and face limited end-of-life recovery options. Commercially viable lower-impact alternatives remain limited. We are working with suppliers, innovators, and universities to develop and test preferred alternatives, including materials derived from renewable inputs. In 2025, we finalized bra pad development for a pad partially derived from responsibly produced sugarcane, representing an interim milestone on this journey.

Packaging

Packaging reduction and improved packaging design are important levers for reducing resource use across our operations.

We evaluate packaging across shipments and product formats to identify opportunities to eliminate unnecessary materials and reduce overall packaging use. Reducing packaging helps lower material consumption, improve shipping efficiency, and manage packaging-related costs across our distribution network.

Where packaging remains necessary, we prioritize designs that improve recyclability and material recovery. This includes increasing the use of recycled content, transitioning to mono-material formats where feasible, and prioritizing packaging structures that reduce material intensity.

Many packaging materials originate from forest-based resources. Through our partnership with Canopy, we assess sourcing risks associated with paper-based packaging and work to ensure these materials are sourced from responsibly managed forests and do not contribute to the loss of ancient or endangered forests.

Packaging data is complex and managed across multiple procurement and logistics systems. We are actively investing in improving how packaging attributes, including material composition, recyclability, and recycled content are captured, consolidated, and analyzed to support more consistent measurement and reporting over time.

Circular Systems and Recovery

We route returned and damaged products through recovery systems designed to maximize reuse and reduce landfill disposal. Store and ecommerce returns, and products that are damaged, first go back to our distribution centers, where we inspect and sort them to determine whether they can be resold, donated, or recovered for recycling. This also serves as the channel for customer-facing takeback programs, which we activate at key moments throughout the year for customers.

Items that cannot be reused through resale or donation are sent to our textile recovery partner Debrand for additional sorting. Debrand identifies opportunities for material recovery and recycling, while products that cannot be recycled are directed to incineration partners.

We are also implementing Digital Product Passports (DPPs) with EON to improve visibility into product material composition and origin. These passports, which have been launched on our Signature Cotton products, link each garment to verified information about the materials used in its construction and help support future resale, recycling, and product transparency requirements. We intend to continue expanding DPPs to additional product lines. Find more information on our Digital Product Passports in the Traceability section of this report.

Advancing Circular Solutions Through Innovative Partnerships

Progress toward circularity depends on collaboration across the value chain, from raw material production through product end-of-life. We work with partners to scale preferred materials, strengthen traceability, and expand the systems needed to support more circular product lifecycles.

Producer Partnerships

Our direct-source cotton program demonstrates how closer collaboration with Tier 4 suppliers can reshape traditional sourcing models. We maintain multi-year partnerships with four family-owned farms in Alabama, working together each season to review input costs, market conditions, expected yields, and progress on regenerative practices. These discussions inform purchasing contracts that are finalized prior to planting, helping align expectations and provide greater visibility into demand and pricing.

This approach supports ongoing investment in regenerative practices while improving our visibility into farm-level environmental and labor conditions. It also enables traceability of cotton from field to finished product and provides a foundation for continued learning on how producer-level partnerships can influence outcomes over time. Additional information about this program can be found in our [Cotton Impact Report](#) on our corporate website.

In 2025, our direct-source cotton program was recognized with **Textile Exchange's Collaboration in Action Award**, highlighting VS&Co's leadership in building traceable, direct-to-farm sourcing that delivers environmental and social impact.



Our Farm Partners: Liz Spruell, Jamie Blythe, Billy Bridgeforth and Larkin Martin

Material Innovation Partnerships

Advancing lower-impact materials requires collaboration with suppliers and technology developers to test and refine solutions before they are commercially mature. We work directly with innovators to evaluate emerging materials and recycling technologies that can reduce environmental impacts while maintaining product performance.

For example, our collaboration with **Syntetica** focuses on the development of nylon textile-to-textile recycling technology designed to recover and regenerate fibers from existing textile waste. Through this work, we are assessing how these solutions could be applied within apparel supply chains and what conditions are required to scale them over time.

These partnerships inform both near-term product development decisions and longer-term strategies for integrating circular material solutions.

Recovery Infrastructure Partnerships

Circular systems rely on infrastructure capable of sorting, recovering, and recycling textile materials. We work with specialized partners to support the development and expansion of these capabilities, particularly for complex product categories such as intimates.

Through ongoing engagement with recovery partners, we review sorting outcomes, material recovery challenges, and opportunities to improve how products are directed into reuse and recycling pathways. These insights help inform product design, material selection, and recovery strategies over time, while contributing to broader industry learning on how textile recovery systems can continue to evolve.

Industry Collaboration

We participate in industry initiatives that support shared learning and alignment on responsible sourcing and circularity. Engagement with organizations such as **Textile Exchange** and the **Sustainable Packaging Coalition** provides access to evolving standards, tools, and best practices related to preferred materials, traceability, and circular product systems.

These collaborations help us stay informed on emerging approaches while contributing to broader dialogue on how the apparel sector can continue to improve resource efficiency and reduce waste.



RESOURCE USE METRICS

These metrics provide a view of how materials are used and transitioning across our product portfolio. Preferred fiber use increased from 17% in 2021 to 42% in 2025. Cotton is our most used fiber, and our preferred cotton fiber is the regeneratively grown cotton we purchase directly from our U.S. farm partners. We only consider preferred cotton sources as those that have traceability from farmer to final garment. Our total synthetic fiber use is decreasing year-over-year, and of the synthetic fibers we use, recycled content is increasing. All manmade cellulosic fibers are from Canopy Dark Green Shirt certified suppliers.

Fiber Composition and Preferred Material Share	2021	2022	2023	2024	2025
Cotton	36%	35%	33%	36%	38%
<i>Share of cotton that is preferred¹</i>	N/A	N/A	N/A	14%	14%
Polyester	28%	27%	24%	21%	20%
<i>Share of polyester that is preferred</i>	25%	29%	33%	41%	55%
Polyamide	20%	20%	22%	19%	18%
<i>Share of polyamide that is preferred</i>	10%	35%	47%	49%	53%
Manmade Cellulosics	8%	10%	12%	16%	16%
<i>Share of manmade cellulosics that is preferred</i>	100%	100%	100%	100%	100%
Elastane	8%	8%	8%	8%	8%
<i>Share of elastane that is preferred</i>	0%	0%	<1%	<1%	<1%
Other	<1%	<1%	<1%	<1%	<1%
<i>Share of preferred fibers</i>	17%	25%	30%	34%	42%

Intimates and Apparel Products Footprint	2024	2025
Total units produced	356,004,585	389,048,172
Returned and damaged product disposition (units) ²		
Resale	890,709	552,934
Recycling ³	34,466	34,239
Incineration ³	39,334	53,361
Digital product passports added to products (units)	N/A	4,000,000
Product carbon intensity (metric tons Co2e per unit purchased)	.005	.003

¹ Past reporting measured preferred cotton as a percentage of annual cotton purchased (by spend); this has been updated to reflect percentage of cotton consumption (by volume) within the reporting year.

² Refer to our communities section for information on product donations

³ Metric ton values have been converted to estimated units using average product weight assumptions. Actual unit counts may vary based on product type and material composition.



CHEMICALS & WASTEWATER MANAGEMENT

The look and feel of our products are influenced by how materials are dyed, treated, and finished during manufacturing. These processes often involve chemical inputs and play an important role in achieving the color and softness our customers expect. When not carefully managed, they can also impact water quality, worker health, and surrounding communities. Managing chemicals and wastewater responsibly supports product quality while protecting people and the environments where our products are made.



Chemical use and wastewater discharge are inherent to textile manufacturing, particularly in wet-processing facilities where fabrics are dyed, printed, and finished. These operations, which primarily occur within our Tier 2 apparel supply chain, can carry environmental and compliance risks if not properly managed. Conformant chemical inputs and effective wastewater management help reduce regulatory risk, support consistent product quality, and protect the health of workers and surrounding communities.

VS&Co's approach to chemical and wastewater management focuses on reducing hazardous chemical inputs, managing wastewater discharge, and strengthening supplier capabilities.

These measures form a key part of our broader supply chain sustainability strategy and contribute to more resilient, responsible and compliant production across our manufacturing base.

CHEMICAL OVERSIGHT

Oversight of lingerie and apparel chemical and wastewater management sits within VS&Co's Global Manufacturing Team. Day-to-day implementation is managed by the Chemical Management Team which works directly with suppliers to maintain alignment with global standards and regulatory requirements. Progress is reviewed regularly through supplier performance evaluations, and escalated to supply chain leadership and Sourcing Risk Council as needed.

The following policies and frameworks guide our approach:

- **ZDHC Manufacturing Restricted Substances List (MRSL):** Defines substances banned from intentional use in textile wet-processing chemicals. We verify MRSL conformance of chemical formulations used by our core wet-processing facilities, covering facilities that support more than 90% of our business volume.

- **VS&Co Restricted Substances List (RSL):** Requires raw materials used in lingerie and apparel products to be certified to OEKO-TEX® Standard 100 or tested by a third-party laboratory against the VS&Co RSL to confirm compliance.
- **Global Apparel Chemical Policy:** Outlines our detailed expectations for responsible chemical use in manufacturing.
- **Wastewater Testing and Compliance:** Since 2014, core wet-processing facilities have been required to conduct annual wastewater testing in alignment with ZDHC Wastewater Guidelines. Testing is performed by third-party laboratories, and results are used to identify and phase out non-compliant chemicals and improve wastewater treatment practices.
- **Supplier Training and Audit Program:** Suppliers are trained on VS&Co chemical management requirements during onboarding, annual supplier summits, and biannual online modules. Compliance is verified through facility audits of chemical inventories and product RSL testing. Non-conformances trigger corrective action plans and follow-up reviews.

Governance of these activities is embedded within sourcing processes. A Chemical Management Scorecard (CMSC) is used to assess raw material suppliers' performance quarterly against annual targets and is shared with sourcing leadership. The scorecard evaluates suppliers across chemical management systems, MRSL conformance, product RSL compliance, and wastewater quality in alignment with the ZDHC Roadmap to Zero.

In addition to the CMSC, which is used to evaluate our existing suppliers, a chemical management assessment (CMA) is also performed for prospective raw material suppliers to verify eligibility and identify and address gaps.

Our beauty business manages chemical safety through formulation and ingredient standards. These are governed by our Global Ingredients Policy and Fragrance and Flavors Policy which define ingredient restrictions and testing requirements beyond regulatory mandates. Additional information is included in the "Resource Use and Circularity" section of this report.

How We Manage Chemicals Across the Supply Chain:

Manufacturing: MRSL (process chemicals)
 Product: RSL (finished materials)
 Discharge: Wastewater testing

CHEMICAL MANAGEMENT APPROACH

Our chemical and wastewater strategy focuses on phasing out hazardous substances, strengthening supplier capability, and safeguarding water quality in key manufacturing regions.

Our approach follows the Zero Discharge of Hazardous Chemicals (ZDHC) Roadmap to Zero Programme, which provides a globally recognized framework for phasing out priority chemical groups, managing wastewater quality, and promoting safer alternatives. We also align with applicable EU and U.S. regulatory requirements and evolving global standards on water stewardship and chemical transparency.

Our strategic objectives are to:

1. **Achieve full ZDHC MRSL conformance across core wet-processing suppliers by 2030.** In 2025, 96% of chemical formulations used by our core suppliers met ZDHC MRSL Level 1 or above. Future priorities include expanding adoption of Level 2 and 3 conformance and increasing coverage of smaller-volume suppliers.
2. **Maintain product chemical compliance across lingerie and apparel materials through OEKO-TEX® Standard 100 certification or third-party testing against the VS&Co Restricted Substances List (RSL).**
3. **Maintain annual wastewater testing across key wet-processing facilities** in alignment with ZDHC Wastewater Guidelines and use results to guide chemical phase-out and process improvement.
4. **Strengthen supplier capability over time** through regular training on chemical management and wastewater quality for nominated wet-processing suppliers.
5. **Improve data quality and transparency** by continuing to embed chemical management performance data into supplier performance management.

Our strategy emphasizes collaboration and continuous improvement. We focus on addressing the root causes of non-conformance, investing in supplier training and verification systems, and scaling shared solutions that strengthen the entire value chain. This approach seeks to reduce regulatory and operational risk while supporting more responsible chemical and water practices across the textile sector.

What is Wet-Processing?

Processes where water and chemicals are used to treat fabrics or garments such as dyeing, printing and finishing.

Our approach aligns with leading global frameworks:

- ZDHC
- OEKO-TEX
- AFIRM

MANAGING CHEMICALS ACROSS OUR SUPPLY CHAIN

We monitor chemicals used in wet-processing across our lingerie and apparel supply chain to identify potential impacts on workers, local environments, and product safety.

We maintain visibility through supplier disclosure, chemical-inventory reviews, and wastewater-testing data submitted via the ZDHC Gateway platform. Findings from this process highlight priority improvement areas, most often linked to chemical selection, wastewater treatment operations, or documentation gaps, and guide annual training and audit planning.

- **Chemical Screening:** Suppliers' chemical formulations are assessed against the ZDHC Manufacturing Restricted Substances List (MRSL) to help confirm that high-risk chemical groups are not intentionally used. In 2025, more than 96% of chemical formulations used by our core suppliers met ZDHC MRSL Level 1 or above, and we are working toward 100% by 2030.

- **Wastewater Testing:** Core wet-processing suppliers conduct annual wastewater tests through ZDHC-approved laboratories in accordance with ZDHC Wastewater Guidelines. Results help identify substances of concern, track wastewater performance, and inform technical support plans.
- **Supplier Performance Data:** Findings are consolidated through VS&Co's Chemical Management Scorecard and used to prioritize training, remediation, and escalation where non-conformance is detected.
- **Emerging Issues:** We monitor evolving regulations and scientific developments, including restrictions on PFAS and other emerging substances of concern, to anticipate future compliance risks. We are a member of the Apparel and Footwear International Restricted Substances Management (AFIRM) Group, which supports monitoring and risk mitigation related to restricted substances.

Setting and Enforcing Standards Across Production

Our approach combines defined standards, supplier engagement, and verification systems to phase out hazardous substances and manage wastewater discharge.

- **ZDHC Program Alignment:** We partner with suppliers to achieve conformance to ZDHC MRSL Level 1 or higher. In 2025, MRSL certification at Level 1 or above was confirmed for over 96% of chemical formulations used by our core suppliers. Future efforts will concentrate on advancing to higher conformance levels and expanding coverage to smaller facilities.
- **Restricted Substances List (RSL):** All raw materials used in lingerie and apparel must be certified to OEKO-TEX® Standard 100 or tested to VS&Co's RSL by a third-party laboratory. This dual assurance, product-level RSL testing and process-level MRSL conformance, helps manage chemical safety across the full manufacturing chain.
- **Training and Technical Support:** Suppliers receive annual training on emerging issues, chemical substitution, and wastewater treatment management. Training modules are updated each year based on audit findings and regulatory changes.
- **Auditing and Verification:** We conduct on-site and virtual chemical-management audits that assess:
 - Storage and handling of chemical substances
 - Chemical inventory conformance
 - Environmental permits and personal-protective-equipment availability
 - Management commitment to zero discharge of priority substances
 - Technical staff competency and oversight of chemical processes
 - Materials and product chemical compliance

When non-conformances are identified, we work directly with suppliers to understand root causes and agree on practical next steps. Follow-up visits, virtually or in-person, are conducted to verify progress and provide technical support where needed.

- **Wastewater Management:** Suppliers are required to maintain on-site effluent-treatment systems capable of meeting ZDHC discharge limits, submit annual laboratory results, and share data through the ZDHC Gateway. All facilities meet local government requirements.

In 2025, 94% of tested facilities met ZDHC MRSL requirements in untreated wastewater, 100% met heavy metal requirements in treated wastewater, 100% met heavy metal requirements in sludge (treatment byproducts), and 72% met ZDHC conventional parameters (broader wastewater quality requirements, e.g., pH, organic matter and pollutant load such as BOD and COD) after treatment. All non-conformances were remediated according to corrective action procedures.

When parameters exceed limits, we work directly with suppliers and external specialists to identify root causes, eliminate non-compliant chemical sources, and improve treatment performance. These results reflect continued progress in chemical substitution and wastewater treatment performance across our core supplier base.

- **Collaboration for Innovation:** VS&Co participates in cross-industry initiatives, including ZDHC's Roadmap to Zero, to accelerate the phase-out of priority chemical groups and strengthen shared industry tools for safer chemistry. We continue to collaborate with key suppliers on the adoption of certified chemicals and on data collection, management and transparency, including expanded use of the ZDHC Gateway and digital systems for inventory and wastewater data reporting.

Together, these initiatives support measurable improvement in supplier performance and help mitigate risk of non-compliance or production disruption.

VS&Co has been recognized for five consecutive years as a "Champion Level" brand on ZDHC's Detox Fashion Radar, the initiative's highest maturity rating for chemical-management performance.

Strengthening Performance Through Accountability and Capability Building

Our approach to improvement focuses on building supplier capability, embedding chemical management expectations into sourcing decisions, and driving transparency through better data systems.

Performance Tracking and Accountability

Results from chemical and wastewater testing feed directly into Chemical Management Scorecards which are reviewed by Sourcing and Sustainability teams. Facilities that demonstrate sustained improvement are recognized, while those with recurring issues receive targeted engagement and, if needed, business escalation. This integration of environmental data into sourcing processes encourages suppliers to invest in stronger management systems and continuous progress.

Corrective Action Plans

When non-compliance is identified, corrective action plans (CAPs) are issued and suppliers are generally given three months to improve performance. The VS&Co Chemical Management team provides technical support and resources to help complete CAPs. In the rare instance that suppliers do not complete CAPs on time, an escalation process is triggered and senior leadership is involved. Suppliers that exceed requirements receive additional points on the scorecard, and high performers are recognized annually.

Capability Building and Shared Learning

We collaborate with suppliers to strengthen chemical and wastewater management through workshops, regional training sessions, and one-on-one technical support. Lessons learned from high-performing mills are shared across our supply base, enabling replication of effective systems such as digital inventory tracking, chemical-substitution mapping, and improved effluent monitoring.

CHEMICAL & WASTEWATER METRICS

These metrics provide a view of how we manage chemical inputs and wastewater performance across key wet-processing suppliers. Together, they help track supplier conformance with our chemical management requirements, progress toward safer chemistry, and wastewater performance over time.

Chemical and Wastewater Management Metrics	2024	2025
Chemical Management:		
Suppliers included in Chemical Management verification programs ¹	93%	94%
Suppliers committed to VS&Co Chemical Management Policy	100%	100%
Suppliers' chemical formulations certified with ZDHC MRSL conformance level 1 or above	95%	96%
Suppliers offered annual training on chemical management from VS&Co	100%	100%
Wastewater Test Results:		
Untreated wastewater meeting MRSL parameter limits	98%	94%
Treated wastewater meeting heavy metal limits	100%	100%
Sludge meeting heavy metal requirements	100%	100%
Treated wastewater meeting ZDHC conventional parameters (broader quality requirements) ²	75%	72%

¹ % of total FOB

² These include pH, measures of organic matter and overall pollutant load such as BOD & COD



SOCIAL

VICTORIA'S SECRET & CO.



OUR WORKFORCE

Our people power every part of our business, from stores and distribution centers to our corporate offices.

The majority of our workforce are women, working across diverse roles, environments, and career stages.



We approach workforce management as a core business priority and an enabler of long-term performance, resilience, and brand relevance. Our focus is on creating a workplace where associates feel supported, fairly compensated, and able to grow, with safe working conditions, equitable access to opportunity, and meaningful channels for engagement.

Our approach is supported by governance structures and policies that guide how we manage our workforce.

WORKFORCE OVERSIGHT

The Human Capital and Compensation Committee of the Board oversees workforce strategy and key human capital matters, including talent attraction and retention, compensation practices and pay equity, leadership development and succession planning, workforce engagement and culture, and significant workforce-related operational and compliance matters. Management responsibility is shared across Human Resources, Legal, Ethics & Compliance, and executive leadership.

Core expectations for workplace behavior and ethical conduct are defined in our Code of Conduct. All associates review and acknowledge the Code upon hire and on an annual basis. The Code outlines standards related to dignity, respect, non-discrimination, equal opportunity, health and safety, and ethical conduct, and provides confidential channels for raising concerns without fear of retaliation.

Workforce-related policies and procedures are regularly reviewed and updated as appropriate to reflect evolving legal requirements, operational needs, and organizational priorities.

OUR PEOPLE STRATEGY

Our strategy is grounded in a commitment to hiring, retaining, and developing exceptional talent from a wide range of backgrounds and experiences, and to fostering an environment in which all associates can thrive.

This strategy is operationalized through systems designed to:

- Strengthen workforce capability through structured development
- Support associates at work and through various life stages
- Promote equitable and inclusive workplace practices
- Enable meaningful associate voice and engagement to continuously listen and meet the evolving needs of our associate base

Pay Equity Certified

For the fifth year in a row, VS&Co achieved third-party pay equity certification for all genders, races and ethnicities, and the intersection of these identities. This means that for every \$1 earned by men in our global workforce, women earned \$1, and for every \$1 earned by white associates in the U.S., racial and ethnic minority associates earned \$1. This has been the case since 2021 and we're committed to maintaining our status as a leader in pay equity.

WORKFORCE MANAGEMENT

Developing & Supporting Our Workforce

We support associates through structured development pathways, benefits programs, and role-based training designed to strengthen workforce capability, wellbeing, and long-term organizational resilience across retail, distribution, and corporate environments.

Development & Advancement

Structured performance management processes, development programs, and succession planning frameworks support internal mobility and career progression across functions. Associates and leaders participate in an annual performance development cycle that includes goal and expectation setting, quarterly check-ins, and year-end performance reviews, enabling ongoing feedback, development planning, and progression decisions. In 2025, the rollout of our core competency framework further strengthened consistency in performance expectations and development conversations across roles and levels.

Competency-based development pathways and talent review processes are designed to build bench strength and support continuity in critical roles over time. Insights from performance outcomes, development discussions, and succession planning activities inform workforce planning, advancement decisions, and leadership readiness assessments.

Benefits

We provide benefits designed to reflect the diverse needs of our workforce across life stages and geographies, with eligibility determined by employment status and local market requirements.

This includes benefits for family support, such as:

- Reproductive and family care
- Infertility services and elective reproductive health support
- Adoption and surrogacy reimbursement
- Childcare discounts and backup child, adult and pet care
- Maternity and parental leave
- Bereavement leave, including for pregnancy loss
- Menopause support and access to specialists
- Lactation resources, including dedicated facilities in corporate offices and store accommodations

Additional details on benefits eligibility and coverage are available on our corporate website.

Training & Safety

Operational roles receive job-specific training aligned to their responsibilities and working environments. This includes health and safety training designed to meet applicable regulatory requirements and support safe working conditions across stores, distribution centers, and corporate offices. Training requirements vary by role and function and are reinforced through onboarding and periodic refreshers.

Assessing Workforce Programs, Feedback, & Effectiveness

We assess the effectiveness of workforce programs, culture initiatives, and compensation practices through structured feedback and evaluation mechanisms designed to inform decision-making and continuous improvement.

Associate Voice

We provide multiple channels for associates to share feedback and contribute to workplace improvement. These mechanisms are designed to support open communication, surface workplace risks early, and inform decisions that affect working conditions, development opportunities, and day-to-day operations.

Associate Opinion Survey

Our Associate Opinion Survey is conducted annually and administered confidentially across stores, distribution centers, and corporate offices. The survey gathers associate perspectives on engagement, fairness, respect, safety, workload, leadership, and access to support.

Leadership teams are responsible for reviewing findings within their areas and developing action plans to address opportunities or reinforce strong practices. We monitor engagement trends over time to inform workforce initiatives, leadership development, inclusion efforts, and workplace improvements.

In addition to the annual survey, associates may provide feedback throughout the year through pulse surveys, manager discussions, HR channels, and leadership forums.

Global Inclusion & Belonging

We believe our passion for our brands, the care and respect we have for one another, and our deep commitment to our customers and communities continue to be core to our success. We engage and inspire all associates by nurturing a culture of inclusion and belonging, where every associate can thrive.

Inclusion Resource Groups are open to all associates and supported by executive sponsors, provide structured opportunities for connection, professional development, and dialogue. Insights from IRGs are shared with leadership and may inform workplace initiatives.

Press Pause learning series are meaningful learning moments accessible for associates on a monthly basis. The series brings an outside perspective focused on personal development and wellbeing.

Inclusive programs that support external partnerships allow associates to share industry knowledge, with the goal of advancing access within the retail sector.

Compensation & Pay Equity Review

We offer competitive pay to our associates around the world and pay all associates equitably regardless of gender, race, ethnicity or background. We conduct annual benchmarks with other leading global companies to ensure we maintain competitive wages across our store, distribution center, home office and customer care services roles. We use this data to inform salary investments and adjust the pay ranges and rates that guide our decisions.

Our process reviews gender, race, ethnicity and the intersections of these identities. In addition to quarterly equity reviews, we conduct an annual, rigorous and transparent review of 100% 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 U.S., we make upward adjustments.

Findings from compensation reviews inform salary adjustments and governance oversight where differences are identified.

Development & Capability Assessment

Participation in leadership development programs, performance management processes, and succession planning frameworks are reviewed to assess workforce capability and leadership readiness across functions. Capability development and assessment occurs through a combination of enterprise-wide learning platforms, targeted development programs, and formal assessment experiences, including *Ignite Mentorship Connections and Circles*, *Leadership Essentials* training, and always-on learning through the *Spark* learning platform and *LinkedIn Learning*.

Accelerated development and deeper assessments are supported through programs such as *ELEVATE* for individual contributors through senior managers and *VSEdge* for VP+ leaders, which include facilitated debriefs and individualized development action plans.

Insights from engagement surveys, compensation analyses, performance outcomes, and development and talent reviews are considered collectively to inform workforce capability assessments, succession planning, policy updates, and ongoing enhancements to leadership development programs.

Ethics Reporting & Resolution

Associates, contractors, and other third parties may raise concerns through confidential reporting channels described in our [Code of Conduct](#).

Our Global Ethics and Compliance Hotline is operated by an independent third party and is available 24/7 in multiple languages. Reports may be submitted anonymously where permitted by law.

We maintain a strict non-retaliation policy. All reports are logged in a centralized case management system and reviewed by trained investigators. Matters are assessed and escalated based on severity and potential risk. Trends and themes are monitored to inform preventative actions, policy updates, training enhancements, and workplace improvements.

Where matters relate to potential misconduct or violations of company standards, investigation and remediation processes are addressed through our Ethics & Compliance framework described in the Governance section of this report.



WORKFORCE METRICS

This section includes data on workforce composition, engagement, training, retention, and pay equity outcomes. Additional data on our workforce characteristics is available in our EEO report available on our corporate website.

Workforce Overview (2025) ¹	Total	Female	Male	Not Identified
Associates	27,085	86.7%	12.6%	0.7%
Full-time associates	10,669	72.3%	27.1%	0.6%
Part-time associates	16,416	96.0%	3.2%	0.8%
Associates by Group				
Home Office ²	4,037	60.6%	38.7%	0.7%
Distribution Centers	2,547	53.8%	45.9%	0.3%
Stores	20,501	95.7%	3.5%	0.8%

Workforce Retention, Training and Development ¹	2025
Retention rate (%)	
Home Office ²	89%
Distribution Centers	89%
Stores	63%
Average tenure of full-time associates (years)	5.7
Employees that participated in regular performance and career development reviews (%)	94%
Internal mobility rates (roles filled by internal candidates) (%)	39%
Average training hours per associate ³	3

Workforce Engagement and Feedback	2024	2025
Participation in Associate Opinion Survey (%) (total)	91%	92%
Participation in Associate Opinion Survey (%) DC	81%	90%
Participation in Associate Opinion Survey (%) Home Office	93%	94%
Participation in Associate Opinion Survey (%) Stores	92%	92%
Associates that feel "engaged" or "very engaged" in their work (%)	81%	83%
Associate access to grievance channels to raise concerns (%)	100%	100%
Members in Inclusion Resource Groups (# of Associates)	1,178	1,271

Equitable Pay	2024	2025
Pay equity review workforce coverage (%)	100%	100%
Workforce paid equitably (%) ⁴	99%	99%

¹ All workforce data includes full-time and part-time associates as of 02/02/2026. It does not include temporary, seasonal, China Joint Venture, or Adore Me associates.

² Home Office includes Home Office and Customer Care Services.

³ This data is incomplete because our learning system, Spark, does not cover "On the Job Training" which accounts for the majority of associate training.

⁴ Third-party certified by Fair Pay Workforce; we do not disclose this is 100% as we are continually validating and adjusting pay to ensure pay equity



OUR COMMUNITIES

Our communities are the people and places most directly connected to our products, supply chain, and associates. This includes the communities where our materials are grown, our products are manufactured, and our teams live and work, as well as the women who rely on our products and platform.



We recognize that our scale, brand reach, and long-standing relationships create both responsibility and opportunity to contribute positively beyond our direct operations. Our community engagement focuses on strengthening the health, dignity, and resilience of women, particularly in communities that face barriers to care, safety, and economic stability.

COMMUNITY ACCOUNTABILITY

Community investment at VS&Co is guided through the VS&Co Foundation and governed through established oversight and approval processes. The Foundation's funding priorities and nonprofit partnerships are overseen by the VS&Co Foundation Advisory Council, which helps guide strategy, review priorities, and support accountability across community programs.

The VS&Co Foundation maintains a structured and transparent grant review process to ensure responsible stewardship of philanthropic investments. The Foundation's Advisory Council convenes every six weeks to evaluate eligible grant requests. Before reaching the Advisory Council, all grant requests must successfully complete our internal due diligence and background check process, confirming organizational legitimacy, alignment with giving priorities, and compliance with our standards. Eligible requests are reviewed by the VS&Co Foundation Advisory Council, which meets regularly to evaluate and approve funding decisions. This governance model supports consistency, fairness, and accountability across Foundation-funded initiatives.

Our community investments and partnerships are informed by internal governance practices, including guidelines for charitable giving and grantmaking, partner selection, and oversight of funded programs. These practices include steps to assess partner alignment and organizational integrity, and to support responsible stewardship of financial contributions and in-kind donations.

Monetary Grant Funding Guidelines: The VS&Co Foundation supports nonprofit and non-governmental organizations (NGOs) that align with our giving vision and mission pillars. Our program grants provide funding for initiatives that create meaningful and lasting community impact. Program grant opportunities are invite only. Organizations selected by the VS&Co Foundation and/or our associates may be invited to submit a grant application for review. Grants are awarded up to \$10,000 USD and are intended to support program-based work. Event focused or fundraiser based requests are not eligible. [What We Fund: Grant Criteria | Victoria's Secret & Co.](#)

Product Donation Guidelines: Through the VS&Co Essentials program, the VS&Co Foundation supports community wellbeing by providing product donations to eligible 501(c)(3) nonprofit organizations serving underserved populations. This program is designed to meet essential needs by ensuring donated products reach individuals directly. All product donation requests are centrally reviewed and processed by the VS&Co Community Relations department to maintain consistency, equity, and accountability. [Request an In-Kind Donation | Victoria's Secret & Co.](#) and [Product Donations - VS&Co Essentials | Victoria's Secret & Co.](#)

Charitable Contributions & Purpose-driven Marketing Approval Process: The VS&Co Global Charitable Contributions & Purpose Driven Marketing Approval Process outlines the company's governance framework for all charitable giving, partnership decisions, and marketing initiatives connected to social impact. The policy ensures that all contributions and purpose driven campaigns align with VS&Co's core values and brand purpose, particularly initiatives that support and advance women. It establishes clear approval requirements, cross functional review steps, and compliance checks to ensure responsible use of funds, transparent decision making, and adherence to legal and ethical standards. The process also help safeguard against reputational, financial, and regulatory risks by requiring documented justification, alignment with corporate strategy, and oversight from designated leadership and compliance teams.

OUR COMMUNITY INVESTMENT STRATEGY

Our community investment strategy focuses on women's health, mental and emotional wellbeing, safety and survivor support, access to essential goods promoting dignity, and development opportunities for women. Our approach is grounded in where we have proximity to impact, through our products, brand platform, global footprint, and where we can contribute in a sustained and meaningful way. We prioritize areas where the needs of women intersect most directly with our business and capabilities. Many of the organizations we support address the intersection of these issues, recognizing how factors such as income, geography, and access to care shape outcomes.

Our Community Investment Focus

- Women's health
- Mental and emotional wellbeing
- Gender safety and survivor support
- Dignity and essential needs
- Development opportunities for women

Our strategy is implemented through a combination of funding, product, and brand engagement. This includes long-term investments in priority areas, partnerships that support direct services and prevention, and product donation programs that address immediate needs with dignity. We also use our brand platform to increase awareness and extend the reach of our partners.

Through this approach, we aim to contribute to improved access to care, safety, and essential resources, while supporting longer-term resilience and opportunity for women in the communities connected to our business.

INVESTING IN COMMUNITIES

Defining Community Investment Priorities

VS&Co prioritizes community investment based on where the needs of women intersect most directly with our products, brand, and global footprint, and where we can contribute in a meaningful and sustained way.

In practice, this is illustrated in our support for:

- **Women's health**, through sustained investment in breast, gynecological, and cervical cancer research, early detection, treatment access, and survivorship support. This includes the Victoria's Secret Global Fund for Women's Cancers, which directs funding to both patient care and the advancement of women researchers and clinicians, strengthening equity in medical innovation and care delivery.
- **Mental and emotional wellbeing**, in partnership with the JED Foundation, PINK brand initiatives address education and support for young adults navigating mental health challenges.
- **Safety and survivor support**, through funding and product donations we support organizations that provide emergency shelter, legal advocacy, counseling, and recovery services for survivors of domestic violence and exploitation, both domestically and through international partnerships.
- **Dignity and essential needs**, by prioritizing access to basic apparel and hygiene products, the VS&Co Essentials program distributes new bras, underwear, and apparel to women experiencing homelessness, displacement, disaster recovery, or transition from crisis environments.
- **Develop opportunities for women**, through investments in education, workforce readiness, economic participation, and programs that support women's independence and stability.



Many of the organizations we support recognize and address the intersectionality of women's experiences, including how race, income, geography, disability, and environmental vulnerability shape access to health, safety, and opportunity.

PINK x JED Partnership 2020–2025

- Recognized in 2025 by The Jed Foundation with the Corporate Voice of Mental Health Award
- Supporting youth mental health
- \$3M+ contributed to JED
- \$5M+ invested in mental health initiatives overall

Structuring Partnership & Funding

VS&Co invests in our communities through a combination of dedicated funds, programmatic partnerships, and in-kind support, allowing us to tailor how resources are deployed based on the type of impact needed.

In practice, this includes:

- **Flagship funding vehicles** that concentrate long-term investment in priority areas. The Victoria's Secret Global Fund for Women's Cancers is a central example, providing sustained support for cancer research, early detection, patient care, and survivorship, while also advancing women's leadership in medical research and clinical care.
- **Programmatic partnerships** that support direct services and prevention work, including:
 - mental health education and support through partners such as the JED Foundation
 - survivor protection, recovery, and reintegration through organizations addressing domestic violence, and exploitation
 - education, workforce readiness, and economic opportunity programs that strengthen long-term independence and stability
- **International giving programs** that extend community investment to regions where women face heightened barriers to health, safety, and opportunity, particularly in connection with poverty, conflict, or environmental vulnerability.
- **Flexible funding mechanisms** that allow us to respond to urgent needs, including disaster response, humanitarian crises, and emerging community priorities identified through nonprofit partners.
- **Combined funding and product models**, where financial grants are paired with product donations or brand engagement to strengthen outcomes and increase reach.

This structure allows us to use different tools for different needs: long-term funding for systemic issues, partnerships for service delivery, and flexible mechanisms for urgent response.



VICTORIA'S SECRET & CO.
essentials
Delivering essential undergarments to women in need since 2022.

Product & Brand Activation

In addition to financial contributions, we use our products, customer reach, and brand visibility to address dignity, access, and awareness in ways that are directly connected to our business.

A central example is VS&Co Essentials, which uses our core products to meet essential needs with dignity. Through this program, we donate new bras, underwear, and apparel to nonprofit partners supporting women experiencing homelessness, domestic violence, displacement, disaster recovery, or transitions from crisis environments. These donations respond to practical needs that are often unmet in traditional aid models and play an important role in restoring comfort, hygiene, and personal dignity.

Access to clean, properly fitting apparel can be critical for women rebuilding stability after violence, hospitalization, or displacement, and helps reinforce confidence during periods of transition and healing.

Beyond product, we use our brand platform to elevate awareness and generate sustained support for priority causes.

This includes:

- Long-standing cause-related campaigns that support advancements in women's health, particularly breast cancer research and care, and expanding funding and visibility for prevention, treatment, and survivorship.
- Brand-led initiatives that normalize conversations around mental health and emotional wellbeing, particularly among young adults, helping reduce stigma and expand access to information and resources.
- Customer engagement programs that connect purchasing and participation with broader community impact, allowing our platform to extend the reach of nonprofit partners and amplify their work.

By integrating products and brand engagement into our community strategy, VS&Co adds a practical, scalable dimension to its impact. This approach complements traditional philanthropic funding by combining financial resources with tangible goods, visibility, and customer participation, allowing our community engagement to reflect the full scope of our capabilities.

Engaging Associates in Community Impact

VS&Co engages our associates as an integral part of our community impact system, recognizing that participation, leadership, and local connection strengthen both the reach and authenticity of our work. Associate engagement is structured to complement the Foundation's philanthropic strategy and to embed community responsibility into our culture.

This includes:

Associate matching programs amplify associate contributions. VS&Co is committed to supporting the causes that matter most to our associates. Through the Associate Match Program, associates can enhance the impact of their personal charitable contributions. Associates are provided with an annual "match bank" that can be used to match personal donations made to eligible nonprofit organizations ("causes"). VS&Co offers a 100% match for contributions directed to designated partner organizations. Donations to all other qualified nonprofit or non-governmental organizations receive a 50% match. Associates have full discretion to select which of their donations they would like VS&Co to match. The program also accommodates matches for certain contributions made outside of the platform. This matching program reinforces our commitment to empowering associates to support the communities and causes they care about, while ensuring transparency and consistency in the administration of matching funds.

Structured volunteer programs that connect associates with nonprofit partners aligned to our community priorities, including organizations focused on women's health, survivor support, essential needs, and long-term opportunity. These programs enable hands-on engagement at the local level while reinforcing consistency with our broader strategy. Throughout the year, departments are encouraged to organize volunteer activities during work hours, enabling associates to participate in meaningful service while strengthening team connection and community impact.

In addition, we host two corporate wide volunteer engagement initiatives annually, Global Month of Service and Season of Giving. During these designated periods, department leaders are encouraged to coordinate volunteer events that support local community organizations and align with the company's broader social impact goals. Through these programs, we provide accessible pathways for associates to contribute to the well being of their communities while reinforcing the company's commitment to collective service and social responsibility.

The Associates for Associates Fund (A4A) provides financial support to VS&Co associates experiencing significant personal hardship due to unforeseen events such as natural disasters, medical emergencies, or other qualifying crises. The program reflects our commitment to supporting the well being and resilience of our workforce. The A4A Fund is administered independently by the Emergency Assistance Foundation (EAF), an IRS designated 501(c)(3) public nonprofit organization. EAF is responsible for all program operations, including receiving donations, conducting impartial reviews of grant applications, and awarding and distributing grants. This third party governance structure ensures confidentiality, fairness, and objective decision making. The fund is supported through a combination of associate contributions and company matching, enabling collective impact during times of associate need. For additional details on program eligibility, criteria, and the grantmaking process, associates may visit [Associates 4 Associates Fund](#).

Opportunities to participate in product donation and community events, allowing associates to engage directly with programs such as VS&Co Essentials and to see the tangible impact of their contributions.

By embedding community engagement into associate programs, we can extend our impact beyond financial and product support. These initiatives foster shared responsibility, reinforce values of dignity and care, and ensure that community investment is not only a Foundation-led activity, but a lived part of how our organization shows up for people.



COMMUNITY INVESTMENT METRICS

We track community investment and engagement across funding, product donations, and associate participation. The metrics below reflect activity for the reporting period and are informed by data reported by our nonprofit partners and internal systems.

Community Metrics	2025
Total dollars donated	\$5,161,784
Foundation grant funding	\$4,720,577
Matching gift totals	\$61,575
Products donated (units)	1,427,406
Associate volunteer hours contributed	5,081
Associate 4 Associates grants distributed	177
Number of women impacted through Foundation grants and the Essentials program ¹	325,129

¹ Based on 2024 impact reports received from partners in 2025. 2025 grant impact reports will be received in mid-2026 and reflected in next year's disclosure.



WORKERS IN OUR VALUE CHAIN

Workers in our value chain are essential to our ability to design, produce, and deliver quality products to customers worldwide. Our global supply chain spans raw material suppliers, manufacturers, and service providers.



Supporting fair, safe, and equitable working conditions is core to how we operate. We recognize our responsibility to identify and address human rights and labor-related risks in apparel supply chains.

We monitor working conditions, uphold labor standards, and partner with our suppliers to support continuous improvement. This includes building capability, improving visibility, and embedding expectations into how work is performed across our supply chain.

Our value chain includes workers across production, from finished goods manufacturing and material processing to raw material sourcing. Working conditions can vary across regions and industries, requiring ongoing visibility, engagement, and a risk-based approach.

We aim to build long-term partnerships with suppliers that share our expectations and commitment to continuous improvement. Where issues are identified, we work with partners to address root causes, strengthen management systems, and support better outcomes for workers.

Our expectations are defined in our sourcing policies, contractual agreements, and our Compliance Guidebook for supply chain partners, supporting due diligence and accountability across our value chain.

Salient Worker Risks in Apparel Industry Supply Chains

Forced Labor and Human Trafficking: Cross-border migration in the apparel sector can result in risks such as recruitment fees, document retention, and contract substitution. These practices can lead to conditions of debt bondage and forced labor. Excessive overtime and subminimum wages are recurring risks in high-volume, seasonal manufacturing. This is an elevated risk particularly for foreign migrant workers.

Child Labor: In certain sourcing regions, limited economic opportunities, gaps in age verification systems, and weak labor law enforcement increase the risk of child labor, particularly in subcontracted facilities. Young workers may be exposed to hazardous conditions that endanger their health, safety, and development.

Discrimination: Discrimination can manifest in hiring, pay, promotion, and termination practices, often affecting women, young workers, migrant workers, and minority groups. Structural gender and social inequities may compound these risks, resulting in abuse, unequal treatment, restricted access to opportunities, and persistent pay gaps across the workforce.

Gender-Based Violence and Harassment: Women make up the majority of the apparel workforce and may face risks of sexual harassment, verbal abuse, or gender-based violence, often compounded by unequal power dynamics and weak grievance mechanisms.

Freedom of Association Risks: In some sourcing countries, weak legal protections and restrictive labor environments can lead to interference with workers' rights to organize, including union suppression, retaliation, or the creation of employer-dominated worker organizations. These barriers limit workers' ability to engage in collective bargaining and address workplace concerns.

Wage Compliance: In some contexts, legal minimum wages may not be adequate to cover workers' essential needs, leaving workers vulnerable to economic precarity and debt dependency.

Excessive Working Hours: High production targets and seasonal demand can lead to systemic excessive overtime, sometimes unpaid or non-voluntary, increasing the risk of fatigue, accidents, and labor exploitation.

Unsafe Working Conditions: Health and safety risks in apparel manufacturing can stem from inadequate building and fire safety systems, insufficient personal protective equipment, poor ventilation, and overcrowded facilities. These conditions increase the likelihood of workplace accidents, injuries, and chronic health impacts, particularly in regions with limited regulatory oversight or enforcement capacity.

Unauthorized Subcontracting: The use of facilities that are not approved for production poses risks of unknown working conditions, as well as a lack of proper record keeping related to production processes. It may create a break in supply chain transparency and production shifts to facilities that have not been vetted or approved.

WORKERS OVERSIGHT

Executive and Board Oversight

Risks related to workers in our value chain are overseen by VS&Co's Sourcing Risk Council. This Council meets quarterly and is comprised of senior executives with expertise in government affairs, ethical and legal compliance, logistics, procurement, production and sourcing.

The Council assesses current risks, including geopolitical, social compliance and associated supply risks. It also reviews and approves decisions related to responsible sourcing, including locations from which we will source materials or produce goods. The 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 annually, and the Audit Committee updates the Board of Directors.

Broader human rights strategy is overseen by the ESG Committee, which reports to the Nominating and Governance Committee of the Board of Directors.

Operational Management

The Human Rights Sub-Committee of the ESG Committee is responsible for continued identification and execution of opportunities to improve human rights in our value chain.

This Sub-Committee meets quarterly and is managed by the Independent Production Services (IPS) team. IPS is a compliance function within VS&Co that works with our supply chain to ensure goods and inputs are sourced from factories and mills that meet or exceed our compliance standards. IPS is responsible for monitoring and enforcing our social compliance program and has been supporting global compliance for more than twenty-five years, enabling improvement in working conditions, supply chain security, and trade compliance in our supply chain through remediation, capacity building and training.

Cross-Organization Awareness

Associates who influence decisions that impact our supply chain take an annual course on Human Rights to ensure they are aware of the labor risks in our supply chain, can recognize the warning signs, and know what tools are available to report any concerns of forced labor or human trafficking in the supply chain. The training was developed in alignment with the International Labour Organization (ILO) Indicators of Forced Labor.

Supplier Selection and Incentive

Suppliers are selected based on their ability to meet our standards, including our labor standards. We utilize a supplier scorecard that incentivizes strong labor rights and social responsibility criteria. Scorecard results are reviewed with suppliers to flag areas for improvement and drive constructive dialogue when issues arise.

Supplier Training

We continuously engage in training and capability building for suppliers on risks and our policies and standards, particularly those associated with human trafficking and forced labor. For factory management and associates who have direct responsibility for compliance and supply chain management, we host awareness and training events called Supplier Communication Sessions. These events cover compliance standards with partners in key sourcing countries. In addition to virtual and in-person training events, we use one-on-one communications in conjunction with compliance reviews and corrective action plans to continuously educate our factories and reinforce our Supplier Code of Conduct.



Policies and Statements

Our policies and codes establish our governance framework and define how we manage human rights and labor-related risks in our global supply chain. These policies apply to suppliers, sub-suppliers, and subcontractors, and set out clear expectations regarding working conditions, transparency, traceability, and conduct.

As of 2026, all suppliers must sign-off on our Compliance Guidebook annually, which includes requirements and policies that all of our suppliers as well as their factories, sub-suppliers, and subcontractors need to meet to do business with VS&Co.

Together, our policies form the basis of our monitoring, remediation, and continuous improvement efforts, ensuring alignment with international standards and legal requirements.

Supplier Code of Conduct

Sets forth standards – in addition to all relevant laws, regulations and conventions – that apply to our suppliers and their factories, sub-suppliers and subcontractors. It lists principles for a fair and respectful workplace, health and safety in the workplace, and open and honest communication. The Supplier Code of Conduct is based on core ILO Conventions, the Universal Declaration of Human Rights (UDHR), and Principles 1-6 of the UN Global Compact (UNGC). See ILO Conventions listed in the Code Principles.

Compliance Guidebook

A centralized set of mandatory requirements and policies that all of our suppliers as well as their factories, sub-suppliers and subcontractors need to meet to be able to do business with VS&Co. The Guidebook provides best practices to partners to drive continuous improvement beyond minimum compliance requirements. This includes definitions of vulnerable workers along with requirements and best practices of how to reduce risks to these worker populations.

Human Rights Policy

Establishes our commitment to identifying, preventing, and addressing salient human rights risks across our business and supply chain, aligned with UDHR, ILO, UNGP, and The Organisation for Economic Co-operation and Development (OECD) guidelines.

Foreign Migrant Worker Policy

Prohibits the use of prison, indentured, bonded, or trafficked labor, and requires enhanced due diligence for factories employing foreign migrant workers, who are most vulnerable to forced labor and trafficking.

Modern Slavery Transparency Statement

Outlines our actions to prevent forced labor, human trafficking, and other forms of modern slavery in our supply chain. The statement details governance structures, risk assessments, due diligence measures, and training programs in line with the U.K. Modern Slavery Act, the California Transparency in Supply Chains Act, and Canada's Forced Labour and Child Labour in Supply Chains Act.

Cotton Policy

Requires all cotton fiber, cotton yarn, cotton fabric and cotton products be spun in or originate from one or more of the approved countries listed in the Policy. Our 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 and ensure compliance with this Policy.

Conflict Minerals Policy

Prohibits the use of tin, tungsten, tantalum, and gold that may directly or indirectly finance armed groups in the Democratic Republic of the Congo and adjoining countries, in line with the Dodd-Frank Act. Requires supplier due diligence, traceability, and record-keeping.

Our codes and policies are evaluated annually and enhanced as needed to continue addressing new laws, regulations, and best practices.

OUR APPROACH TO SUPPORT WORKERS

Our approach to supporting workers in our value chain is grounded in internationally recognized human rights principles, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. Our strategy focuses on three pillars that reflect our opportunities to drive positive change in a global supply chain:

Mitigate Risks

We recognize that risks to workers exist in all global supply chains. Our strategy combines risk avoidance, by excluding sourcing contexts where labor violations are unlikely to be effectively mitigated, with targeted due diligence to identify and address existing risks as early as possible. This includes screening during supplier onboarding, upstream traceability for high-risk commodities such as cotton, and tailored oversight depending on the facility's risks.

Partner for Progress

We view our supplier relationships as a critical lever for advancing labor standards and driving long-term improvements for workers in our value chain. Our sourcing strategy emphasizes partnership with suppliers that share our commitment to human rights, prioritizing long-term relationships with trusted facilities that consistently meet or exceed our standards. We regularly host and sponsor trainings to promote a culture of safety and best practices. Through our supplier scorecard and mechanisms like sustainable supply chain financing, we incentivize strong social performance and transparency. This approach reinforces accountability while creating a foundation for continuous improvement.

Amplify Worker Voice

Workers are often best positioned to identify risks and challenges in real time. Strengthening worker voice enables earlier detection of issues, improves the effectiveness of our due diligence, and helps build more equitable workplaces. We require all factories to maintain anonymous grievance mechanisms available in all applicable worker languages, forming the baseline for how workers can safely raise concerns. We also sponsor and stand-up independent helplines in select factories based on regional availability. Over time, these efforts aim to strengthen transparency, trust, and shared responsibility for improving workplace conditions.

SUPPORTING WORKERS

Identifying and understanding risks to workers in our value chain is the foundation of our due diligence approach. We identify and understand risks to workers in our value chain through a combination of supply chain visibility tools, risk analysis, worker feedback, consultant expertise, independent third-party programs such as the Better Work program, and on-the-ground assessments. This enables us to target our efforts where risks to workers are most severe or likely to occur. As we continue to evaluate risks, we engage with our suppliers, their communities, and our workers directly to address feedback and continuously improve.

Pre-Sourcing Risk Screening: New suppliers, production facilities, and materials facilities undergo screening for country, product, and labor risk as part of our onboarding process and on an ongoing basis. This early assessment helps flag high-risk contexts in advance and ensures that appropriate audit or capacity-building measures are planned before production begins. We utilize commercial risk intelligence platforms built to provide worldwide visibility into the relationships between businesses and individuals. Through these platforms, we can mitigate the risks of partnering with sanctioned or prohibited entities.

Foreign Migrant Worker Risk Assessment: We require enhanced due diligence for any facility employing foreign migrant workers. Before onboarding, these facilities must undergo a Foreign Migrant Risk Assessment to evaluate recruitment practices, worker protections, and potential forced labor risks. Any factories employing foreign migrant workers require executive approval and undergo a focused risk assessment to ensure workers have not paid any fee for their employment, they have freedom of movement and their human rights are respected. Only facilities that meet our standards are considered for approval. The assessments must be conducted at least annually.

Supply Chain Mapping: We map 100% of our Tier 1 and Tier 2 nominated supply chain for our lingerie and apparel products. We have also mapped our Tier 3 cotton spinners. This visibility is essential to understand where and how workers may be exposed to risk.



Our Audit Approach at a Glance

100% Tier 1 audited

98% unannounced audits

Worker interviews included

Trade audits to identify potential unauthorized subcontracting (25+ years)

Annual In-Person Audits: We are fully committed to ensuring our products are ethically sourced. This commitment is embedded in the many measures by which we evaluate supplier partners and have been part of our comprehensive and proprietary approach to how we do business for decades. We conduct our own comprehensive internal audits as well as third-party audits to monitor our suppliers and facilities. Production locations for the following items are audited: all products sold in our stores, including those that are promotional, non-merchandise items (bags, boxes, price tickets and hangtags), store fixtures, raw materials for lingerie and apparel (nominated suppliers and cotton spinners), and components for our beauty products. Our standard audit procedure typically includes at least two auditors, a meeting with facility management, a factory tour (including warehouses and dormitories) and a review of relevant documents, including information on wages, benefit deductions, working hours, labor contracts, termination documents, recruitment agency contracts, training and grievance records.

INTRODUCTION

We conduct labor standards and workplace condition audits annually. Factories are selected based on an in-depth risk analysis conducted by VS&Co's IPS team. Worker interviews are included in audits.

IPS also conducts a trade compliance audit that enables us to identify any instance where unauthorized subcontracting has taken place at our factories. We have been conducting this specialized audit for more than 25 years.

ENVIRONMENT

In countries where Better Work operates, we also participate in their independent, standardized assessments against international labor standards and national labor laws. They provide advisory services that help factories strengthen management systems, worker representation, and grievance mechanisms. Insights from Better Work assessments complement our audit program and help identify systemic risks related to working hours, wages, freedom of association, and violence and harassment.

For more information on our factory audits, please visit the Social Compliance section on our [website](#).

Worker Feedback: Worker feedback plays a critical role in identifying and addressing risks that may not surface through formal audits. We use a combination of factory-level grievance mechanisms, worker sentiment surveys, and independent mechanisms to strengthen transparency and worker protection across our supply chain.

- **Factory-Level Grievance Mechanisms**

We require all factories to maintain anonymous grievance mechanisms for workers in all applicable local languages, as of 2026. These systems facilitate communication between workers and management, help resolve issues early, and support compliance with our labor standards. Suppliers must remediate all grievances in a timely manner. Reports and trends from these supplier-level systems are reviewed as part of our risk assessments to detect patterns such as harassment, discrimination, or restrictions on freedom of association.

- **Worker Sentiment Survey**

SO

We adopted the Worker Sentiment Survey (WSS), developed and administered by LRQA, across all lingerie, apparel, and core accessory factories. This mobile based survey collects anonymous feedback directly from workers on a range of topics related to workplace conditions and worker experience, including respectful treatment, violence and harassment, access to grievance and feedback channels, management responsiveness, wages and wage transparency, working hours, workload and production pressures, occupational health and safety, training opportunities, and overall job satisfaction. The WSS provides valuable insight into worker perceptions and potential hidden risks, serving as an additional data source for our due diligence and risk prioritization.

- **Independent Grievance Mechanisms**

GOVERNANCE

We have sponsored independent, third-party grievance mechanisms for key suppliers in India, one of our top sourcing countries. Implemented in partnership with LRQA and a local NGO, this initiative provides workers with a trusted, anonymous channel to raise concerns externally. Workers receive training to ensure they understand and feel comfortable using the system. Grievances are monitored jointly by LRQA, VS&Co, and local partners to ensure proper remediation and uphold worker wellbeing.

- **Better Work Dialogue Processes**

In Better Work-participating factories, supplier training and capacity building are further supported through Better Work advisory services, which provide factory-level coaching, management system strengthening, and worker-management dialogue to address root causes of non-compliance and prevent recurrence.

Factory Grievance Mechanisms	Worker Sentiment Surveys	Independent Helplines	Better Work Dialogue
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Fiber Chain-of-Custody: We conduct robust due diligence and reserve the right to request support documentation for the production and sourcing of raw materials used to support traceability and chain of custody of VS&Co orders. We particularly conduct due diligence to ensure compliance with our Cotton Policy, by conducting chain of custody audits on cotton fiber, yarn, fabric and finished goods manufacturing of cotton products or products containing cotton components. We conduct Oritain testing at the fabric level to ensure cotton fiber origin is from an approved country. Oritain evaluates consistency between declared and measured geographic origin. This provides an independent, science-based line of evidence that supports our cotton sourcing policy. We also started contracting directly with cotton farmers through our identity-preserved cotton program in 2021 to ensure the traceability of cotton in our supply chain and align ourselves with cotton farmers who share this commitment. A multi-layer due diligence process allows us to detect potential risks such as sourcing from high-risk geographies linked to forced labor, child labor, or unauthorized subcontracting. Find more information in the Traceability section of this report.

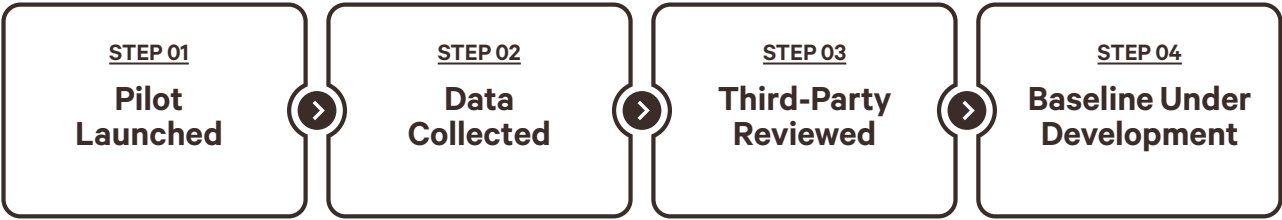
Human Rights Impact Assessment: In 2023, we completed a structured Human Rights Impact Assessment, led by third-party experts, to serve as a cornerstone of our go-forward strategy. We continue to evolve the analysis of our impacts on human rights as our business, our supply chain, and macro conditions evolve globally. This includes evaluation of worker feedback, field visits, and engaging internal and external expertise (consultants, local NGOs like Pacific Links and RISE, and partners like Better Work) to annually review and inform updates to our policies, programs, and objectives.

Fair Compensation Analysis: Fair compensation is a key part of worker wellbeing and an important indicator of labor risk in our supply chain. Accordingly, we launched a pilot project in 2025 to begin collecting compensation data for workers who make our products, to assess if they receive compensation to cover essential needs inclusive of the ability for coverage of unexpected events. The wage benchmark we utilize for our analysis is the Anker Methodology’s Global Living Wage Coalition (GLWC), which is the most prevalent benchmark in the industry by region. We leveraged the Fair Labor Association (FLA)’s wage data collection online tool (Fair Compensation Dashboard) to collect wage data from eight factories in two key sourcing countries from strategic sourcing suppliers; four in Sri Lanka and four in Vietnam. The selected factories represent the majority of our production footprint in both countries.

Initial analysis of the data collected was reviewed by an independent third-party consultant. Evaluation revealed that all factories are paying above minimum wage. Based on our research, we identified that certain industry practices include bonuses and incentive compensation in total fair compensation calculations. Currently, our methodology excludes bonuses, incentive pay, and overtime compensation. These forms of compensation are not applied consistently across pay periods and are not provided uniformly to all workers. Our initial analysis was shared with participating supplier partners, and the IPS team conducted onsite visits to validate factory-level data. Findings are under review to confirm accuracy and assess which elements of

compensation may be appropriate to include in establishing a reliable baseline, based on consistency, eligibility, and alignment with program requirements. This work will inform future regional alignment with GLWC benchmarks.

Fair Compensation



Risk Mitigation

We apply a range of measures to reduce and control identified risks to workers in our value chain. These actions focus on improving labor standards compliance, addressing systemic risk factors, strengthening worker voice, and reducing upstream risk exposure in higher-risk sourcing contexts.

Supplier Training and Capacity Building

Supplier education is a core strategy for mitigating labor risks. Through Supplier Communication Sessions and ongoing engagement, we train suppliers on evolving compliance expectations, forced labor legislation, gender-based violence and harassment policies, and required due diligence on transparency and traceability. Sessions are held several times a year, virtually and in person, and are complemented by one-on-one training tied to compliance reviews and corrective action plans. This combination builds supplier knowledge and management system capacity, helping to prevent issues such as forced labor, trafficking, and harassment before they escalate.

Responsible Exit Strategy

We recognize that how we exit supplier relationships can have consequences for workers. We follow a responsible exit process that emphasizes early planning, engagement, and transparent communication. This includes assessing potential worker impacts including payment, and, where feasible, providing appropriate notice periods.

Wage Digitization

To reduce risk of wage theft, nonpayment, and lack of transparency, we have implemented wage digitization initiatives across all Tier 1 lingerie, apparel, and beauty factories. Digital payments ensure workers receive wages securely, on time, and with a clear payment record, helping mitigate risks related to cash handling and informal deductions.

Foreign Migrant Worker Oversight

For the small number of facilities in our supply chain employing foreign migrant workers, we conduct annual monitoring to ensure that workers retain freedom of movement, are not charged recruitment fees, and are treated in accordance with legal requirements and our standards. This ongoing oversight helps prevent forced labor risks in higher-vulnerability contexts.

Worker Empowerment Partnerships

Certain risks, such as gender-based violence, discrimination, and vulnerability to trafficking, stem from structural power imbalances. We address these imbalances through targeted empowerment initiatives and strategic partnerships that build worker agency, knowledge, and protections:

- Gender-based Violence and Harassment Prevention:** Since 2023, VS&Co has partnered with RISE (Re-imagining Industry to Support Equality) to embed gender equity in our business practices and address gender-based violence. RISE Respect™ programs in Vietnam and India have reached nearly 11,000 workers, most of them women, with training on violence prevention and respectful workplace practices. Building on this progress, in 2025, we scaled up RISE Respect™ training within our operations and trained an additional 8,000 workers in India and Vietnam. We are currently on track to reach all core Tier 1 lingerie and apparel factories in Vietnam and impact 50,000 workers by 2028 as a result of the RISE Respect™ training. Over time, these efforts aim to strengthen prevention systems and create safer working environments across core Tier 1 suppliers.
- Human-Trafficking Prevention:** VS&Co has partnered with Pacific Links Foundation since 2007 to address vulnerabilities that can lead to forced labor and trafficking among migrant and at-risk workers. Through the Factory Awareness to Counter Trafficking (FACT) program, we support prevention and awareness training for both workers and managers, reducing exposure to exploitative recruitment and strengthening factories' ability to detect and prevent trafficking risks.

Direct Cotton Sourcing

To mitigate upstream labor risks in cotton cultivation, we launched a direct-to-farm cotton sourcing model. By purchasing directly from U.S. cotton farmers, we strengthen traceability, avoid exposure to forced and child labor risks prevalent in certain regions, and support improved labor practices at the farm level. This model ensures our cotton is not linked to forced labor and provides farmers with full proceeds for their crops, enhancing economic resilience. Read more about our cotton journey in our [Cotton Impact Report](#) on our corporate website.

Remediation

When impacts to workers occur in our value chain, we are committed to ensuring that issues are addressed promptly, root causes are resolved, and affected workers receive appropriate remedy. Our remediation process is designed to drive accountability and continuous improvement through structured corrective action planning, supplier engagement, verification, and escalation where necessary.



Corrective Action Planning and Implementation

When audits or assessments identify non-compliance with our Supplier Code of Conduct, IPS issues a corrective action plan (CAP) through our remediation platform. Suppliers are notified immediately, and all CAPs must address findings, eliminate root causes, assign accountability, and meet clear deadlines to resolve within 90 days, or 30 days for elevated violations. Our dedicated corrective action management team reviews CAP submissions daily and approves them only once evidence demonstrates full compliance or meaningful progress. All CAP communications and supporting evidence are documented to ensure transparency and traceability.

In some cases, CAPs may be waived where a credible, equivalent remediation process is already underway. This includes factories participating in the Better Work program, where remediation is managed through independent assessments, time-bound improvement plans, advisory services, and follow-up verification.

Critical Violations and Accelerated Remediation

For serious violations, including those involving forced labor, child labor, or other critical issues, immediate remediation is required within 30 days. These cases may trigger formal warning letters and financial penalties. Suppliers may elect to reinvest the penalty amount into strengthening their compliance program, in which case we provide access to third-party labor standards consultants to help identify root causes and build sustainable management systems to prevent recurrence. An accelerated escalation protocol is in place for forced labor cases to allow for swift intervention and action.

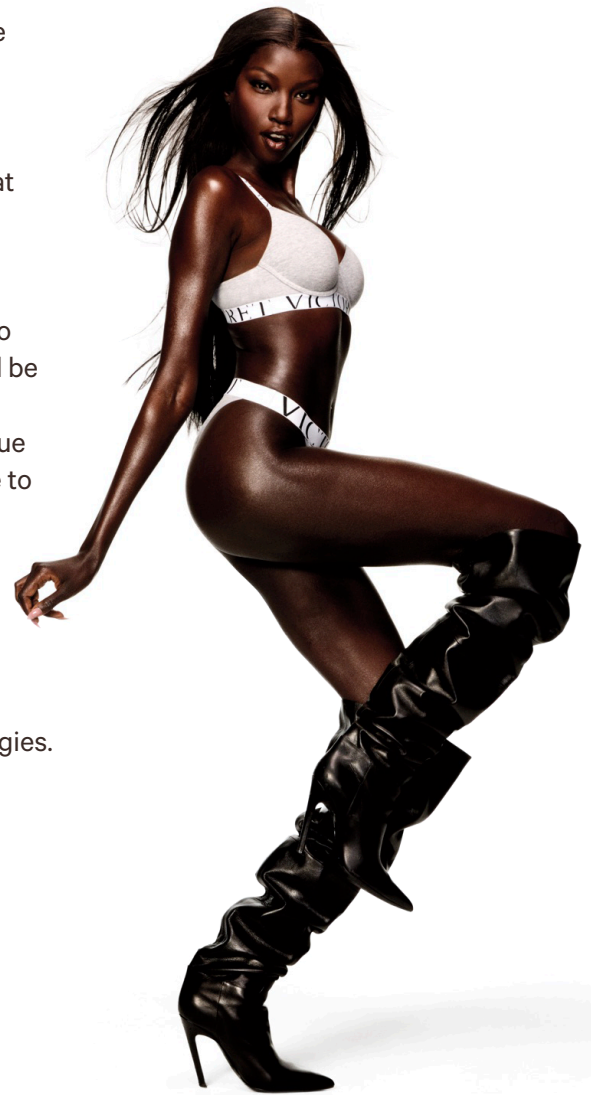
Verification of Remediation Effectiveness

IPS conducts unannounced follow-up visits to verify that corrective measures have been effectively implemented and are functioning in practice. This includes reviewing documentation, interviewing workers, and assessing whether management systems have been improved to prevent recurrence. This step is essential to ensure that remediation is durable, not just procedural.

Failure to Remediate

VS&Co maintains a strict escalation process for suppliers that fail to remediate issues in a timely or credible manner. Penalty actions will be taken and determined on a case-by-case basis, which may include warning letters and reduced business allocation. We will not continue partnerships with suppliers or factories that are unwilling or unable to meet our compliance expectations. Responsible exit procedures would be applied in these cases to mitigate negative impacts on workers.

Remediation activities also inform our broader due diligence approach. Trends from CAPs are regularly analyzed to identify recurring issues and strengthen our prevention and mitigation strategies.



SUPPLY CHAIN WORKER METRICS

Workers in Our Lingerie and Apparel Supply Chain	2024	2025
Tier 1 Facilities¹		
Audits		
Factories audited (%)	100%	100%
Factory audits unannounced (%)	>97%	>97%
In scope factories audited to a labor code of conduct (%)	100%	100%
Non-compliant findings resolved within designated requirements (%)	>95%	>95%
Worker Support		
Suppliers providing grievance mechanisms for workers (%)	100%	100%
Workers who completed VS&Co sponsored RISE Respect™ program (#)	11,000	8,000
Tier 2 Facilities²		
Nominated ³ suppliers assessed for social compliance	>96%	>96%
Nominated suppliers covered by accessible grievance mechanisms for workers (%)	100%	100%

¹ Lingerie and apparel garment manufacturing
² Lingerie and apparel material production
³ Nominated suppliers are 90%+ of our Tier 2 lingerie and apparel suppliers



OUR CUSTOMERS

Our customers place their trust in our products, our brands, and the information we provide. Our products are personal and often worn close to the body, which informs how we approach quality, safety, and reliability.



Our Responsibility to Customers

We are responsible for ensuring our products are safe, perform as intended, and are represented accurately. This includes how products are designed, how claims are communicated, and how we engage with customers across their experience so products can be worn with confidence.

Trust with our customers is built through everyday decisions across product development, sourcing, marketing, and customer engagement. It is shaped by the recognition that our products are intimate, our brands carry cultural influence, and our relationship with women brings heightened responsibility.

This includes our responsibility to:

- Deliver products that are safe to wear, reliable in performance, and consistent in quality, supported by product standards, testing, and supplier requirements.
- Provide product information and claims that are accurate, substantiated, and clearly presented to support informed decision-making.
- Design with inclusion and accessibility in mind, reflecting a range of body types, needs, and preferences in product design, sizing, and representation.
- Protect trust, privacy, and dignity in consumer interactions, including safeguarding personal data

Together, these priorities guide how we integrate consumer responsibility into product design, brand expression, and business operations.

Protecting Our Customers

Product Integrity and Safety

We define product specifications, testing protocols, and supplier requirements to support product quality, performance, and safety. These processes include material standards, chemical safety requirements, pre-production testing, and ongoing monitoring through quality assurance teams and supplier engagement. Product development, sourcing, and quality teams establish product standards, testing requirements, and supplier expectations and are responsible for ensuring products meet internal quality benchmarks and applicable regulatory requirements before they reach customers.

Responsible Marketing and Product Claims

We maintain structured review processes for marketing assets and product claims. These processes guide how products and claims are presented to consumers and support accurate, substantiated, and responsible marketing practices.

Customer Feedback, Experience, and Issue Resolution

We maintain processes for managing product complaints, returns, and customer inquiries across channels. Customer feedback- including returns, customer service interactions, and product reviews- provides important signals used to identify quality or safety issues and opportunities for improvement. These insights inform ongoing efforts to strengthen product performance, customer experience, and quality standards. See the “Privacy Policy” section of our website for more information.

Customer Data and Privacy Governance

We maintain practices to safeguard customer information and protect privacy across digital platforms. This includes oversight of how personal information is collected, stored, and used, in compliance with applicable data protection and privacy regulations and internal standards.

Together, these practices support how we maintain customer trust across our products, communications, and interactions.



GOVERNANCE

VICTORIA'S SECRET & CO.



TRACEABILITY & SUPPLY CHAIN TRANSPARENCY

Understanding where materials come from, how products are made, and which suppliers participate across our value chain is foundational to how we support responsible sourcing, manage risk, and substantiate what we say about our products.



For VS&Co, traceability is not a single system or data point, but a set of tools and processes that help us build visibility across a complex global supply chain.

Because no single tool can provide a complete picture, we combine supply chain mapping, traceability systems, verification activities, and direct supplier engagement to inform decision-making. Looking at these inputs together helps strengthen data quality, accountability, and risk management across our supply chain.

TRACEABILITY OVERSIGHT

Traceability at VS&Co is governed by a cross-functional Traceability Task Force established in 2024 that reports to the ESG Committee. Led by the head of Traceability, the task force includes senior representatives from Compliance, Sustainability, Sourcing, Product, and Technology, and aligns strategy, implementation, and accountability across the business.

While traceability procedures previously existed across individual teams for decades, the task force formalized shared oversight, enterprise prioritization, and clear accountability. Traceability plans are reviewed annually and aligned with enterprise risk and regulatory readiness assessments.

Our current traceability priorities seek to deepen visibility into our upstream supply chain, especially where concerning:

- Cotton fiber from farm to final garment
- Materials associated with product claims
- Forest-based materials and packaging

Traceability requirements are embedded in supplier onboarding, sourcing decisions, and internal approval processes, including our Supplier Code of Conduct, sourcing governance practices, and product claim review procedures.

OUR TRACEABILITY APPROACH

Our traceability strategy is structured to advance four core outcomes:



1. **Supply Chain Risk Visibility and Management:** Increasing visibility into supply chain structure, suppliers, and exposure to geopolitical, human rights, environmental, and other risks.
2. **Credible Product Communication:** Substantiating product claims and aligning marketing communication with verified supply chain information.
3. **Customer Transparency:** Providing customers with accessible product-level information and preparing for emerging digital disclosure requirements.
4. **Operational Decision-Making:** Informing sourcing strategies, supplier engagement, and material selection.

Traceability depth varies based on material complexity and risk profile. Efforts are prioritized where enhanced visibility most directly affects compliance, claims, or sourcing decisions.

Our objective is to expand traceability coverage across priority materials and product categories, deepen integration within our beauty portfolio, strengthen data reliability, and scale digital capabilities in alignment with regulatory and enterprise risk priorities.

TRACEABILITY IN ACTION

Our Traceability Operating Model

Our traceability operating model defines how we collect, validate, govern, and disclose traceability information across our supply chain. It is intentionally multi-layered: each component serves a different role, and together they provide a stronger view of supply chain structure, material flows, and sourcing information.

Supplier Mapping and Nominations

Mapping helps us understand who participates in our supply chain and where production and processing occur. This visibility helps us identify geographic exposure, understand how materials move through our supply chain, and determine where additional diligence may be needed.

One factor that supports this visibility is our approach to nominating upstream suppliers. For many core materials and components, including cotton yarn, fabrics, elastics, and trims, we designate the suppliers that our manufacturing partners source from. This means we issue our Tier 1 factories Raw Material Commitment Contracts that dictate where they can source componentry and materials from. This allows us to work more directly with these upstream partners and include them in our traceability systems, supplier engagement programs, and verification processes. Additional information on this sourcing approach is described in the Management of Supplier Relationships section of this report.

As a result, we have mapped 100% of our Tier 1 manufacturing facilities and Tier 2 nominated cotton-related suppliers for our lingerie and apparel products. We have also mapped Tier 3 cotton spinners. These partners have been onboarded into our traceability processes and participate in training and verification activities. For non-cotton materials and trims, the majority of Tier 2 nominated suppliers have also been mapped and engaged.

Our Tier 1 manufacturing and Tier 2 nominated suppliers producing cotton products have expressly agreed to comply with our Cotton Policy, which identifies approved countries for cotton fiber origin, yarn spinning, processing, and final garment assembly. These countries were selected based on our current and future sourcing strategies and evaluated to confirm they meet our standards regarding labor practices, traceability, and transparency.

Through our chain-of-custody traceability processes, we trace lingerie and apparel products to the Tier 3 cotton spinning mill and conduct cotton fiber origin verification at Tier 4 facilities for priority programs.

We maintain supplier records in our traceability platform, which supports supplier onboarding, facility linkage, and updates as suppliers or assortments change. Our core intimate and apparel factories are publicly disclosed through Open Supply Hub.

Product Tracing

Beyond supply chain partner visibility, we focus on linking traceability data directly to products and materials. We prioritize product-level tracing for primary materials, with a particular emphasis on cotton and certified fibers, where origin, chain of custody, and integrity are critical to both risk management and claims substantiation.

We partner with TextileGenesis to leverage fiber-forward tracing and verification of select materials, including our Direct-Source Cotton program and certified fibers such as Forest Stewardship Council (FSC)-certified manmade cellulosic fibers. This enables us to track material flows and validate volumes.

For forest-based materials and packaging, we also work with Canopy to map upstream deforestation risk, which informs sourcing decisions and supplier engagement priorities. Find more information on our forest-based product standards in the Resource Use and Circularity section of this report.

Upstream Sourcing

For most of our core materials – including fabrics, elastics, and laces – we require production to use designated suppliers. This allows us to work directly with upstream partners, strengthen visibility into our supply chain, and apply consistent standards across materials and production.

Validating Traceability Documentation

We use multiple validation methods rather than relying on a single form of assurance. Each method provides different types of evidence. Findings are evaluated to assess consistency and reliability of sourcing information.

Operational Validation

We visit and audit suppliers in-person to evaluate their practices and the reliability of reported information. We make quarterly visits to Tier 3 cotton spinning mills to verify compliance with our Cotton Policy and support traceability from fiber through yarn to fabric production. These in-person validations strengthen our internal controls by confirming inventory alignment, assessing adoption of traceability systems, and reinforcing our compliance standards. Read more on our audits in the Workers in our Supply Chain section of this report.

Documentary Validation

We review chain-of-custody documentation across processing stages to assess whether documentation aligns with expected sourcing. This includes verifying completeness and continuity of records, with consistent reference points linking fiber through yarn and fabric production. Documentation is assessed for completeness and plausibility rather than treated as standalone proof of origin.

Scientific Validation

For cotton products, we conduct isotope analysis through Oritain, a global leader in forensic origin verification, to evaluate consistency between declared and tested geographic origin. This provides an independent, science-based line of evidence that supports our cotton sourcing policy.

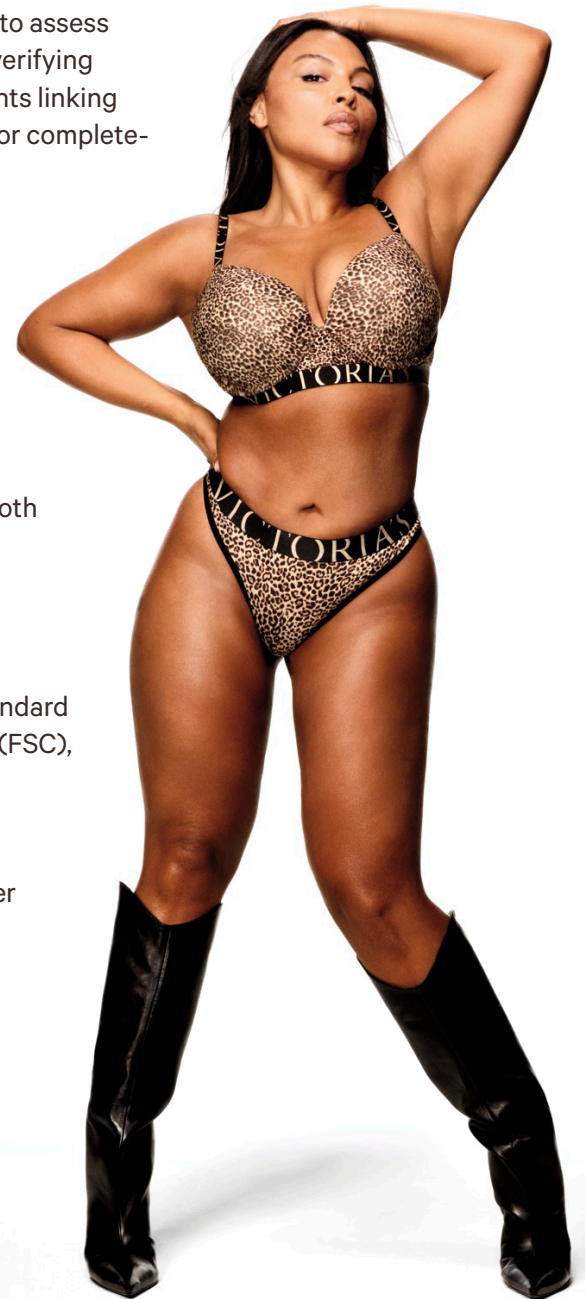
These findings feed back into our traceability system, strengthening both data quality and supplier relationships over time.

Third-Party Certifications

We use third-party certification frameworks, including OEKO-TEX® Standard 100, Global Recycled Standard (GRS), and Forest Stewardship Council (FSC), as one input into our broader traceability and sourcing approach.

These certifications provide standardized insights into materials and processes. We assess them alongside traceability information and other validation methods to build a more complete and reliable view of our supply chain.

This approach supports transparency and helps ground our efforts in credible, evolving standards.

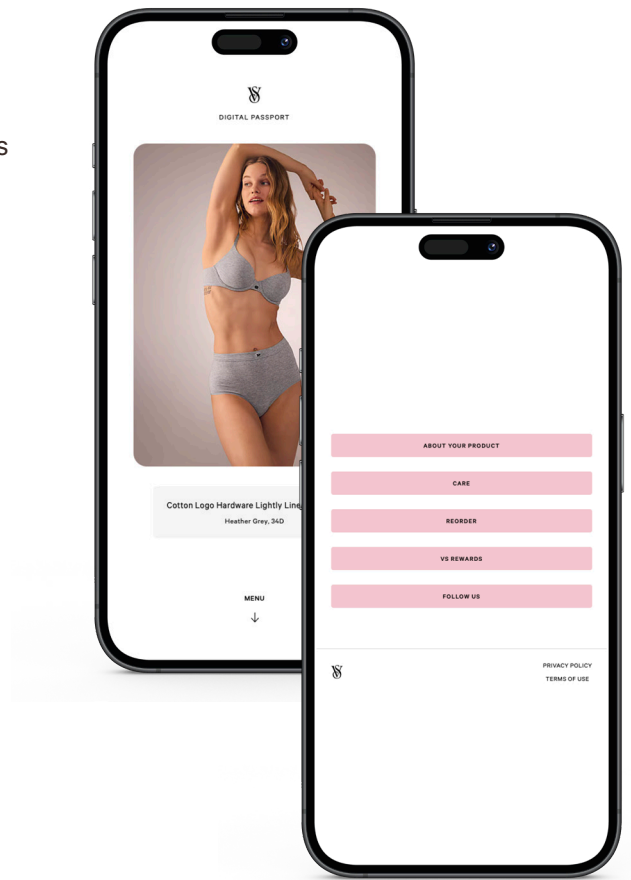


Transparency with Our Customers

Traceability also supports evolving expectations for customer-facing transparency. We partner with women-owned software company EON to enable Digital Product Passports (DPPs), providing QR-code-based access to product information.

As of year-end 2025, Digital Product Passports were implemented on Signature Cotton Bras and SlumberBra™, totaling more than four million units. Expansion is planned across EU products in 2026.

Traceability insights are used to inform our sourcing decisions, better engage suppliers, and validate product claims.



TRACEABILITY METRICS

These metrics reflect the current depth and coverage of our traceability efforts across supply chain tiers, along with supplier engagement in traceability systems and tools.

Supplier Mapping	2025
Tier 1 suppliers mapped (%)	100%
Tier 2 suppliers mapped (%)	90%
Tier 3 suppliers mapped (%) ¹	38%
Tier 4 raw material sources mapped (country of origin) (%) ¹	30%
Suppliers offered training in traceability tools/standards (%) ²	100%

¹ By fiber volume

² Applies to Tier 1 and Tier 2 nominated suppliers



MANAGEMENT OF SUPPLIER RELATIONSHIPS

We have long-term partnerships with manufacturers, material suppliers, and producers around the world. We view these relationships as extensions of our business and believe that responsible sourcing is built not only on compliance with our standards, but also on the fairness and collaboration embedded in how we conduct business with our partners.



We recognize that choices around lead times, forecasting, technical specifications, cost negotiations, and payment terms influence suppliers' ability to plan production, retain workers, manage compliance obligations, and maintain financial stability. These purchasing practices have direct implications for product quality, delivery performance, and working conditions.

Our goal is to manage these relationships responsibly, with the aim of supporting business resilience while reinforcing our environmental and social commitments. Strong supplier relationships require clarity, predictability, and ongoing collaboration, particularly as regulations evolve, product requirements become more complex, and expectations for transparency increase across global value chains.

This section describes the systems, governance, and engagement practices that shape how we work with suppliers, including how we plan, communicate expectations, support capability building, and manage transitions.

SUPPLIER MANAGEMENT OVERSIGHT

Supplier relationship management at VS&Co is guided by policies and procedures that define both the expectations we set for suppliers and the standards we uphold in managing those relationships.

- Master Service Agreements (MSAs) establish commercial terms including payment and delivery expectations, quality and safety requirements, audit and access rights, confidentiality, and data-protection provisions. These agreements provide a consistent foundation for supplier engagement.
- Supplier onboarding protocols evaluate supplier capabilities, quality systems, operational integrity, and alignment with VS&Co values before orders are placed.
- Our Supplier Code of Conduct outlines our expectations for suppliers on topics such as labor practices, health and safety, environmental management, and business integrity. These expectations are addressed in detail in the *Workers in Our Value Chain* section of this report.

Accountability for supplier relationship management resides within the Global Sourcing and Production functions. Regional sourcing offices, compliance, quality and product integrity teams share operational responsibility and day-to-day engagement with vendors. These teams work cross-functionally to ensure consistency of approach and clear communication with our partners.

Associates that engage with our supply chain receive training on responsible supplier engagement and ethical decision-making as part of onboarding and at least annually thereafter. Procurement, Sourcing, Compliance, and ESG teams collaborate to ensure that cost, quality, and delivery decisions remain consistent with our standards on human rights, labor, and environmental performance.

As needed, issues are escalated to our Sourcing Risk Council, a cross-functional executive body composed of senior leaders from Manufacturing, Operations, External Affairs, and Legal. The Council meets quarterly to assess market dynamics, geopolitical and trade risks, supplier considerations, and sourcing diversification. The Council operates under the oversight of the Audit Committee of the Board of Directors.

Supplier relationship expectations are reviewed periodically to reflect evolving laws, trade conditions, and best practices.

OUR APPROACH TO SUPPLIER MANAGEMENT

Our strategy for supplier management focuses on strengthening the commercial, operational, and communication practices that most directly shape supplier experience, production stability, and long-term partnership value. The objectives below reflect how we work with suppliers with the goal of responsible production, clear expectations, and high-quality outcomes across our supply chain.

Strengthen Upstream Supplier Partnerships and Traceability: We nominate upstream suppliers, such as fabric mills, elastics producers, and component manufacturers for the majority of materials and components used in our products. Through Raw Material Commitment Contracts, Tier 1 manufacturers are required to source these materials from the nominated suppliers we identify.

This model allows us to work directly with strategic upstream partners on technical specifications, product performance, regulatory compliance, and traceability requirements. By maintaining direct visibility into these

upstream partners, we can align sourcing strategies with evolving product standards, regulatory expectations, and material traceability objectives.

For cotton, we also contract with U.S. farmers to purchase fiber directly from them, meaning we take title to the cotton at the farm level.

Upstream Supply Chain Partnerships

We identify and require the use of specific suppliers for the majority of our materials and components, which enables our deeper engagement in our supply chain beyond only our garment manufacturers.

This provides greater visibility into our supply chain and supports more consistent alignment on product quality, and social and environmental standards.

Provide Demand Visibility and Support Production Planning: We aim to provide suppliers with timely information on anticipated demand, development requirements, and upcoming production needs through seasonal planning cycles and standardized buying and manufacturing timelines. This visibility helps suppliers plan factory capacity and prepare for seasonal production requirements. When adjustments to orders or product requirements occur, we work collaboratively with suppliers to communicate changes, review potential impacts, and align on solutions that help avoid unused production capacity and maintain continuity in factory operations.

Promote Responsible Commercial Practices: We integrate responsible purchasing expectations into negotiations, payment terms, and commercial decisions. Transparent and predictable financial interactions can support supplier cash flow and operational continuity.

Strengthen Shared Responsibility Across Teams and Partners: We work to reinforce alignment across internal teams whose decisions influence Production, Design, Product Development, Planning, Sourcing, Compliance, Quality, and Product Integrity. Coordinated, timely decision-making is intended to help reduce misalignment, manage risk, and support responsible production outcomes.

Build Supplier Capability for Evolving Requirements: We invest in supplier capability-building, spanning technical, operational, and compliance capabilities, to help partners meet increasing expectations for product attributes, traceability, data quality, and environmental performance. This supports both suppliers' competitiveness and our long-term supply chain resilience.

Integrate Worker Insights into Supplier Engagement: Audit findings, corrective action trends, and worker feedback are integrated into supplier discussions and scorecard reviews where relevant.

Direct Purchasing from U.S. Cotton Farmers

Cotton is our most used fiber across our assortment. We contract directly with U.S. cotton farmers, taking title to the cotton at the farm level. Each year, this model represents approximately 3 million to 10 million pounds of cotton that we purchase and trace through to finished products, with volumes varying based on seasonal demand and harvest conditions. This gives us visibility into who grows our cotton, and how it is grown, to ensure it meets our sourcing standards.

SUPPLIER MANAGEMENT IN ACTION

How We Engage

We engage suppliers through structured processes to promote clarity, predictability, and alignment throughout the product and production lifecycle.

Supplier Selection and Onboarding: Before production begins, prospective suppliers are evaluated on technical capability, capacity, quality systems, operational integrity, and alignment with our expectations. Onboarding formalizes applicable standards and provides suppliers with clarity on commercial, technical, and compliance requirements.

Planning: Seasonal calendars, development milestones, and pre-production alignment processes help suppliers understand expectations and plan accordingly. We work to provide early and accurate visibility into development needs, specifications, forecast ranges, and production timing to reduce operational uncertainty.

Clear Technical and Commercial Expectations: Accurate specifications, disciplined approval processes, and structured change management reduce misalignment and rework. Commercial discussions are conducted with an emphasis on transparency and predictable engagement.

Regular Engagement: Regional sourcing offices and product quality and compliance teams maintain routine communication and visits with factories, supporting day-to-day alignment on production plans, requirements, and emerging issues. This ongoing engagement helps ensure suppliers have the information needed to meet our quality and delivery expectations.

These engagement practices are intended to support strong supplier partnerships by providing clear expectations, stable planning, and consistent communication.

How We Enable Supplier Success

VS&Co supports supplier capability through operational, technical, regulatory, and financial mechanisms.

<p>Improve Factory Performance & Efficiency</p> <p>Identify production bottlenecks and support improvements in throughput, quality, and operational performance</p>	<p>Collaborate on Product Development</p> <p>Partner on materials, construction, and feasibility to help reduce rework and limit late-stage production changes where possible</p>	<p>Train Suppliers on Evolving Standards</p> <p>Provide guidance and tools to address compliance and capability building for social, environmental, and regulatory expectations</p>	<p>Provide Access to Financing to Support Production Stability</p> <p>Enable earlier payment and improved financing terms to support supplier cash flow and investment</p>
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Building Manufacturing Capability

A central component of supplier enablement is the work of our Manufacturing Excellence team, who partners with facilities to strengthen operational performance and production efficiency. In practice, this includes:

- **Factory-level assessments** to identify bottlenecks, production inefficiencies, and process-optimization opportunities.
- **Hands-on technical support** to improve line balancing, quality assurance, and production engineering.
- **Training for factory management and supervisors** on operational best practices, continuous improvement techniques, and productivity strategies.
- **Joint improvement projects** focused on areas such as throughput, defect reduction, and right-first-time performance.

These initiatives are designed to strengthen factory capabilities beyond VS&Co production alone.

Product and Technical Collaboration

Teams work closely with suppliers during product development to align on construction, feasibility, materials, and testing protocols. Early technical alignment is intended to help reduce downstream pressure and improve production efficiency.

Training on Best Practices and Regulatory Readiness

Technical and operational support is reinforced by annual ESG-focused training programs:

- **Social compliance and best practices training**, to Tier 1 suppliers, Tier 2 nominated suppliers and Tier 3 cotton spinning mills; sessions cover policy updates, case studies, emerging legislation, required due diligence, best practices and other critical industry topics related to social compliance and labor standards, with special emphasis on forced labor risk mitigation.
- **Environmental compliance and best practices training**, delivered by the Product Integrity and Regulatory team for Tier 1 and Tier 2 suppliers, focused on chemical management, restricted substances, wastewater expectations, and emerging regulatory requirements.

These programs provide suppliers with tools to meet VS&Co requirements alongside broader regulatory and customer expectations.

Traceability and Data Quality Support

As supply chain transparency requirements increase globally, we provide our suppliers with clear documentation guidance, onboarding support for traceability systems, and technical assistance on data accuracy and reporting. Find more information in the Traceability section of this report.

Supply Chain Financing

We operate long-standing supply chain finance (SCF) programs with Citibank and HSBC that enable suppliers to access earlier payment at financing rates reflective of VS&Co's credit standing. Approximately 80% of suppliers by spend participate in these programs, supporting working-capital stability during production cycles.

In 2025, we expanded this model by introducing a Sustainable Supply Chain Finance program with HSBC, launching with Tier 1 suppliers in Spring 2026. Under this program, suppliers demonstrating defined environmental and social performance criteria, including verified environmental metrics, emissions reduction commitments, and strong labor standards assessments, may qualify for enhanced financing benefits, including accelerated access to funds or reduced financing rates.

This program is designed to:

- Incentivize continued investment in environmental and social improvements
- Improve supplier access to affordable capital
- Reinforce the link between sustainability performance and commercial partnership

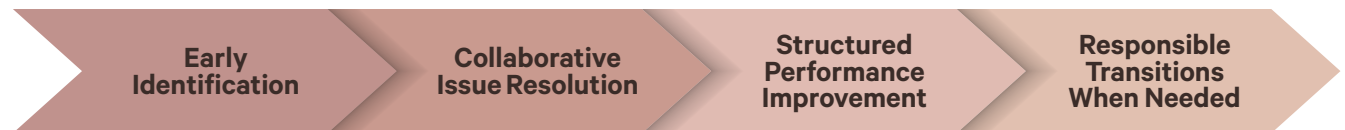
All lingerie and apparel vendors enrolled in the SCF program with HSBC will be eligible to participate. This provides vendors with earlier and more affordable access to financing, helping suppliers manage working-capital needs and incentivizing further investment into sustainability.

Supply Chain Financing

Our supply chain financing programs enable our suppliers to access earlier payment at rates leveraging our credit profile. In 2025, we expanded this approach through a sustainable supply chain finance program, linking enhanced financing access to environmental and social performance.

How We Address Challenges

Challenges can arise at any point in development or production, including technical alignment issues, quality concerns, capacity constraints, planning mismatches, or commercial changes. When they do, we work with our suppliers to identify root causes of the issue and determine appropriate actions to support stable and responsible production.



Early Identification and Coordinated Response: Potential issues are surfaced through routine coordination between factories and our supply chain teams. When risks to production or delivery schedules emerge, we coordinate with suppliers to review status, assess potential impacts, and determine appropriate actions. This collaborative approach is intended to support transparent communication and timely issue resolution to help manage production schedules and delivery commitments.

Collaborative Issue Resolution: Once an issue is identified, we work together with the supplier to determine underlying causes and agree on the right interventions. This may include clarifying or refining technical specifications, aligning on materials or construction, confirming planning assumptions, or adjusting timelines when appropriate. The focus is on practical, transparent resolution that supports stable production and consistent quality.

Structured Performance Improvement: For more significant or recurring challenges, suppliers may enter a structured improvement process that outlines expectations, required actions, and follow-up checkpoints. IPS, Sourcing, and Product Integrity teams provide support and monitor progress to help suppliers close performance gaps and prevent recurrence.

Responsible Transitions: In cases where performance, capability alignment, or strategic needs require us to adjust or exit supplier relationships, transitions are managed through a defined internal protocol. Suppliers receive appropriate notice, and we review active orders, outstanding actions, and production timelines to ensure clarity on what must be completed or transferred, and evaluate potential impacts on workers and operations. This structured approach helps maintain continuity and uphold expectations for responsible sourcing conduct.

SUPPLIER MANAGEMENT METRICS

These metrics provide insight into the structure and stability of our lingerie and apparel supplier relationships and the systems that support them. While no single metric captures the full quality of a partnership, together they help us assess continuity, depth, and access to tools that support responsible production across our supply chain.

Purchasing Practices	2025
Business volume with suppliers we've worked with for 20+ years	80%
Average supplier relationship length (years)	20
Vendors with access to supply chain financing program	100%
Vendors accessing supply chain financing program (by spend)	80%
Nominated Suppliers ¹	2025
Tier 2 suppliers nominated	90%
Tier 3 suppliers nominated	14%
Tier 4 raw material sources nominated	14%

¹ Percent of business volume by FOB



BUSINESS CONDUCT

Ethical business conduct is foundational to our ability to operate responsibly, protect the people connected to our business, and maintain trust with customers, partners, and stakeholders.



Our ethics framework supports responsible growth, strengthens employee engagement, and reduces operational, reputational, and legal risk.

It spans four pillars:

- **Voice:** enabling concerns to be raised safely
- **Integrity:** ensuring fair and consistent investigation processes
- **Controls:** preventing corruption and managing third-party risk
- **Respect:** upholding dignity in brand and marketing practices

Together, these elements form a system that helps us identify issues early, respond effectively when concerns arise, and continuously strengthen our controls and practices.

ETHICS OVERSIGHT

Our Ethics & Compliance Program is led by the VP Ethics and Compliance, who reports to the Chief Legal and Compliance Officer. The program is designed to provide centralized oversight while supporting implementation across regions and business functions.

Oversight is provided by the Board of Directors through its committees, including the Audit Committee and the Human Capital and Compensation Committee. VS&Co maintains a formal Ethics Escalation Protocol that defines when matters must be elevated to Board leadership. These include allegations involving senior leadership, claims of discrimination or harassment involving senior leaders, and matters that present potential material risk to the company.

This governance structure reinforces that ethics concerns are treated as business-critical issues.

Key policies supporting the Ethics framework include:

- [Code of Conduct](#)
- [Speak-Up Policy](#)
- [Civility & Anti-Harassment Policy](#)

- **Anti-Bribery and Anti-Corruption (ABAC) Policy**, including prohibitions on bribery, facilitation payments, and improper gifts or hospitality
- Conflicts of Interest Policy
- Third-Party Risk Management Procedures
- Gifts and Hospitality Policy and Procedures
- Insider Trading Policy
- Photo Shoot Compliance Procedures

The Code of Conduct is reviewed annually and updated as needed to reflect regulatory changes, emerging risks, and evolving business practices, including responsible use of generative artificial intelligence. Policies are made available in multiple languages to support accessibility across our associate population.

Relevant expectations are also communicated through supplier standards and contractual provisions addressing anti-corruption, conflicts of interest, and responsible business conduct.

Our anti-corruption framework is supported by policies, training, financial controls, and contractual requirements that extend expectations to third parties acting on our behalf.

Ethics matters that present potential material risk or involve senior leadership are formally escalated to Board-level oversight.

OUR APPROACH TO COMPANY ETHICS

Our Ethics strategy is designed to build trust across the business, ensuring concerns are surfaced early, decisions are made consistently, and risks are managed before they impact people, operations, or reputation.

The program focuses on four strategic priorities:

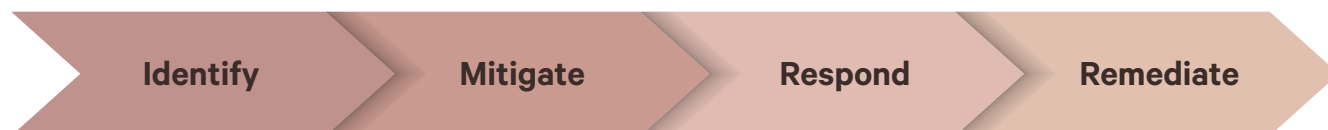


1. **Building a Strong Speak-Up Culture:** We work to ensure that associates and third parties feel safe raising concerns and trust that those concerns will be taken seriously. Accessibility, confidentiality, and non-retaliation are foundational to this objective.
2. **Ensuring Investigation Integrity:** We aim to apply consistent standards to how allegations are assessed, investigated, documented, and resolved. Investigation quality is critical to maintaining fairness, accountability, and credibility.
3. **Managing Third-Party Risk:** We focus on identifying and mitigating bribery and corruption risk, particularly in higher-risk business activities and external relationships. Our approach is risk-based and integrated with broader enterprise risk management processes.
4. **Protecting Dignity in Brand and Marketing Activities:** Our ethical standards extend to how our marketing assets and brand expressions are created, ensuring models and talent are treated with professionalism, respect, and safety in all brand production environments.

These objectives position ethics not as a compliance obligation alone, but as an ongoing system of risk management, cultural reinforcement, and business responsibility.

EMBEDDING ETHICS INTO OUR OPERATIONS

Our Ethics framework is operationalized through a system designed to identify risks early, prevent misconduct, respond consistently when issues arise, and strengthen controls over time.



Identify: Surfacing Concerns Early Across Our Global Operations

We prioritize early identification of ethics risks by making reporting accessible and by monitoring patterns across the organization. Our systems are designed to surface concerns quickly, protect confidentiality, and enable consistent review and escalation.

This includes a 24/7 independent, third-party ethics reporting hotline available to associates, customers, vendors, contractors, and business partners, with multilingual access and translation support. We also provide anonymous feedback mechanisms for models and talent participating in photo shoots, ensuring that concerns can be raised across all areas of our business.

In addition to reporting channels, we conduct risk assessments across key activities, including joint ventures, contracts, SOX disclosures, gifts and hospitality, conflicts of interest, and government interactions, and track concerns through a centralized case management system. This allows us to monitor trends across geographies, functions, and risk types, with integration into our broader enterprise risk management processes.

Accessible, Confidential Reporting

- 24/7 independent hotline
- Available to associates and third parties
- Multilingual and anonymous reporting options

Mitigate: How We Reduce the Likelihood of Misconduct

We prioritize prevention through training, awareness, and embedded controls that reduce the likelihood of misconduct before it occurs. Our approach focuses on building shared understanding of expectations, targeting higher-risk roles, and integrating ethics into everyday business processes.

All associates receive Code of Conduct training upon joining the company, followed by ongoing training and communication that reinforce expectations over time. This includes annual Anti-Bribery and Anti-Corruption (ABAC) training for associates in delegated authority roles, management positions, and higher-risk functions, deployed consistently since 2015, as well as targeted guidance on topics such as gifts and hospitality.

Our approach to third-party risk management combines due diligence, contractual requirements, and financial controls to prevent and detect corruption risk. We conduct sanctions screening and risk-based due diligence prior to engagement, with enhanced review for higher-risk third parties. Anti-corruption controls are also embedded within financial approval, accounting, and payment processes to reduce the risk of improper payments. These expectations are reinforced through standard anti-corruption provisions embedded in contract templates, with enhanced requirements for higher-risk engagements aligned with our Anti-Corruption Guidelines.

Anti-Corruption Controls

- Training for higher-risk roles (since 2015)
- Financial controls within payment and approval processes
- Anti-corruption requirements embedded in contracts

Our ethics framework also extends to brand production environments, recognizing the unique dynamics and risks associated with working with models and talent where dedicated compliance procedures support the safety, dignity, and professional treatment of models and talent. This includes the presence of compliance monitors at photo and video shoots, along with training, multilingual resources, and digital tools that support consistent documentation and oversight.

Protecting Models and Talent

- Compliance monitors at photo and video shoots
- Defined procedures and trainings for brand teams
- Anonymous feedback channels for participants

Respond: How We Respond When Concerns Arise

When concerns are raised, we follow structured investigation processes designed to support fairness, independence, and accountability. Our approach emphasizes consistent handling of cases, clear documentation, and appropriate escalation based on risk and severity. We aim to complete investigations in a timely manner while maintaining thoroughness and confidentiality.

Investigations are conducted using standardized protocols to assess, triage, and review concerns, supported by trained ethics investigators. We coordinate closely with Legal, HR, and business leadership to ensure appropriate expertise and alignment in decision-making, and apply defined escalation pathways, including formal escalation to Board leadership for matters involving senior leadership or potential material risk.

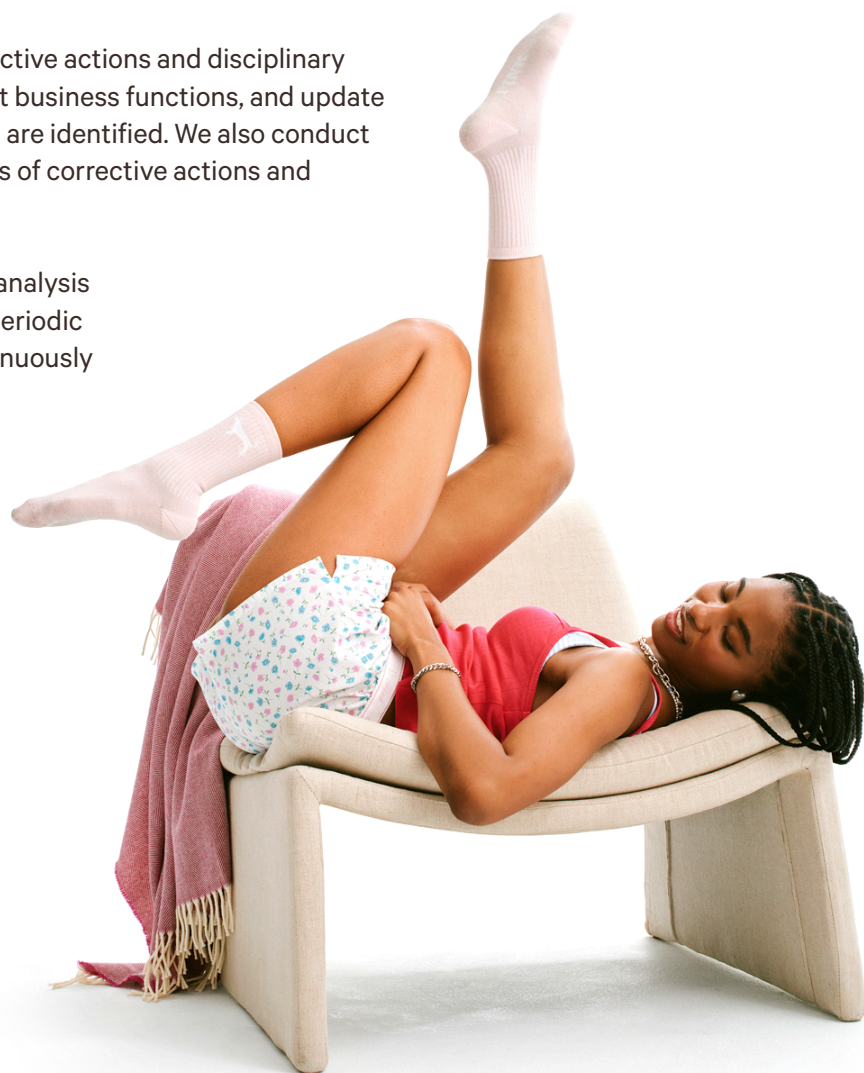
All cases are documented through technology-enabled systems that track allegations, evidence, findings, and outcomes. Where misconduct is substantiated, we apply disciplinary actions and corrective measures in accordance with company policy and local law.

Remediate: How We Strengthen the System

We use each issue as an opportunity to improve our ethics framework by addressing root causes and reinforcing controls.

Following investigations, we implement corrective actions and disciplinary measures, share lessons learned with relevant business functions, and update policies, procedures, and training where gaps are identified. We also conduct follow-up reviews to confirm the effectiveness of corrective actions and ensure improvements are sustained.

Program effectiveness is monitored through analysis of case trends, investigation outcomes, and periodic internal reviews, using these insights to continuously strengthen controls and training.



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