

Company Name L Brands
Industry Apparel (Supply Chain only)
UNGP Core Score (*) 5.0 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
0	2	A.1.1 Commitment to respect human rights
0.5	2	A.1.2 Commitment to respect the human rights of workers
0	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
0	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
1	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
1	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
1.5	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
0	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
1	2	C.7 Remedying adverse impacts and incorporating lessons learned
5.0	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: General HRs commitment: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator • Not met: UNGC principles 1 & 2: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator • Not met: UDHR: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator • Not met: International Bill of Rights: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator <p>Score 2</p> <ul style="list-style-type: none"> • Not met: UNGPs: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator • Not met: OECD: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: ILO Core: No discrimination is part of the Company's leading values. However, no further evidence found on commitments to ILO core labour standards on its own operations. [Code of conduct 2019, 09/2019: ttps://lb.com] • Not met: UNGC principles 3-6 • Not met: Explicitly list ALL four ILO for AP suppliers: The supplier code of conduct includes explicit commitments in relation to 'child labour', 'Non-discrimination', 'No forced labour', and 'Freedom of Association'. No evidence found, however, in relation to respecting the right to collective bargaining. [Code of conduct 2019, 09/2019: ttps://lb.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core: No evidence found regarding respecting the right to collective bargaining as well as the previously quoted principals for its own operations. [Code of conduct 2019, 09/2019: ttps://lb.com] • Met: Respect H&S of workers: The Company indicates that it provides 'safe, clean and accessible facilities for our customers and associates. We comply with all applicable workplace safety laws and we have global safety policies and procedures to protect us from avoidable injury in the workplace'. [Code of conduct 2019, 09/2019: ttps://lb.com] • Met: H&S applies to AP suppliers: The code for suppliers states that 'the work environment shall be safe and healthy' [Supplier Code of Conduct on website, N/A: ttps://lb.com] • Not met: working hours for workers: The Company indicates that 'your hours are dependent on where you work and the needs of the business'. It then continues explaining the different working hours arrangements according to each area of work: home office associates, customer care center, distribution building center, shipping building associates and store associates. However, no commitment found on respecting the ILO conventions on labour standards on working hours for workers, or clarifying maximum working hours and breaks. [Code of conduct 2019, 09/2019: ttps://lb.com] • Not met: Working hours for AP suppliers: The code for suppliers states that 'Overtime shall be limited to a level consistent with humane and productive working conditions. Workers shall not be required, on a regularly scheduled basis, to work in excess of 60 hours (or lower if prescribed by local laws or local industry standards) per week; and, generally, workers shall be provided with at least one day off in seven'. However, no evidence found of commitment to ILO conventions on working hours, or to a standard working week of 48 hours. [Supplier Code of Conduct on website, N/A: ttps://lb.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.4	Commitment to engage with stakeholders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement • Not met: Regular stakeholder engagement Score 2 <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to remedy: Although the Company indicates its process of remediation, no evidence was found of a publicly available statement of policy committing it to remedy the adverse impacts on individuals, workers and communities that it has caused or contributed to. [Accountability and Remediation, N/A: https://lb.com & UK Modern Slavery Statement 2018, 09/08/2019: https://lb.com] Score 2 <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AP suppliers to remedy impacts

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions: See indicator A.1.2. Companies are awarded this if they are committed either to the ILO Declaration (or each ILO Core area) or the UN Global Compact. • Not met: Senior responsibility for HR: The Company states that it has a 'Sourcing Risk Council comprised of senior executives from various company divisions and functions that meets quarterly to discuss core business, sourcing, purchasing practices and approve policies as required. (...) The council assesses current risks, including geopolitical, social compliance and associated supply risks and sets policies related to responsible sourcing. The Sourcing Risk Council operates under the guidance and oversight of the Board of Directors' Audit Committee'. However, no evidence found of the senior manager in charge of overseeing human rights within the Company's own operations. [Commitment and Governance, N/A: https://lb.com] Score 2 <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for AP in supply chain: The KnowTheChain response indicates that there is an Independent Production Services [IPS] function 'that works with suppliers and Mast Global [a worldwide supply chain organization, the operations function of L Brands responsible for sourcing, production and logistics] to ensure goods are sourced from factories that meet or exceed L Brands' compliance standards'. However, it is not clear how Human rights responsibilities are allocated on the supply chain. [Know the chain response 2016, 2016: media.business-humanrights.org]
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifying risks in own operations: The Company states that 'to ensure compliance with our standards, IPS has implemented an internal audit process and is committed to providing our suppliers with opportunities for learning and development. To identify and evaluate the potential risks of modern slavery or violations of other local labor standards and standards that may be unique to L Brands and our business, we conduct our own ongoing, internal verification of our supply chain. The resulting information helps to ensure that our suppliers are in compliance with L Brands' Supplier Code of Conduct'. However, it is not clear the Company has a process to proactively identify its potential human rights risks and impacts (including own operations) rather than verifying compliance with the code. [UK Modern Slavery Statement 2018, 09/08/2019: https://lb.com] Score 2 <ul style="list-style-type: none"> • Not met: Identifying risks in AP suppliers Score 2 <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Salient risk assessment (and context): The Company indicates that ‘a specialized assessment is conducted for factories that employ foreign migrant workers as experts believe those workers are most at risk for modern slavery’. Also, ‘IPS conducts continuous risk assessments of all suppliers and factories to prevent involvement in high-risk business ventures. We use resources such as the U.S. State Department’s Trafficking in Persons report and the U.S. Department of Labour’s reports on international child labor and forced labor to determine countries and product categories with heightened risks of human trafficking and forced labor. Moreover, the Company has a Sourcing Risk Council which ‘meets at least quarterly to discuss core business, sourcing and purchasing practices and assess current geopolitical, social compliance and associated supply risks’. [UK Modern Slavery Statement 2018, 09/08/2019: tps://lb.com] • Not met: Public disclosure of salient risks: As indicated, the Company states that ‘a specialized assessment is conducted for factories that employ foreign migrant workers as experts believe those workers are most at risk for modern slavery’. However, no further details found on the results of the assessments. [UK Modern Slavery Statement 2018, 09/08/2019: tps://lb.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including in AP supply chain • Met: Example of Actions decided: The Company indicates that ‘because of the reports documenting systemic use of forced labor (including the worst forms of child labor) in the harvest of cotton in both Uzbekistan and Turkmenistan, we have adopted a policy that prohibits the sourcing of Uzbek and Turkmen cotton in the manufacturing of any of our products until their respective governments end the practice of forced labor, including child labor, in the cotton sector. Until the elimination of these practices is independently verified, we will maintain this commitment and will collaborate with other stakeholders to raise awareness of this very serious concern and advocate for its elimination’. [UK Modern Slavery Statement 2018, 09/08/2019: tps://lb.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including AP suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: Regarding its hotline, the Company indicates that there are phone and web reporting options available and that it 'is operated and staffed by a third-party provider (...), and is intended mainly for use by L Brands' associates and partners'. [Ethics Hotline, N/A: https://secure.ethicspoint.com/domain/media/en/gui/29250/index.html#secure.ethicspoint.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Not met: Channel is available in all appropriate languages • Met: Expect AP supplier to have equivalent grievance systems: The supplier code 'requires each factory to have an effective grievance mechanism in place for workers to file questions or grievances without fear of punishment or reprisal'. The supplier code also states that 'L Brands requires all suppliers and subcontractors to fully comply with its Code of Conduct. L Brands does not allow unauthorized subcontracting'. [Supplier Code of Conduct on website, N/A: https://lb.com & Worker voice, N/A: https://lb.com] • Not met: Opens own system to AP supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Grievance mechanism for community <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects AP supplier to have community grievance systems • Not met: AP supplier communities use global system
C.7	Remedying adverse impacts and incorporating lessons learned	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes how remedy has been provided: The Company states in its KnowTheChain response that its Independent Production Services (IPS) function 'has never identified any cases of human trafficking in our supply chain. In the few instances in our history where overtime hours did not seem voluntary, the issue was immediately escalated both internally and to the supplier. The supplier was then required to adopt a policy of voluntary overtime where the workers have the freedom to refuse the overtime work without retaliation or penalty. IPS adopted guidance from the International Labour Organization's Handbook on Combating Forced Labour as the framework of our audit for each factory to ensure there is no form of forced or trafficked labour in the factories producing product on behalf of L Brands'. This disclosure is from 2016 and no equivalent information has been found for the last three reporting years. To alleviate the reporting burden for companies during the Covid-19 crisis, the CHRB will (on an exceptional basis) relax the three-year timeframe and include information from 2016 in the 2020 assessment. [Know the chain response 2016, 2016: media.business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Evaluation of the channel/mechanism

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found.

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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