

## Corporate Human Rights Benchmark 2018 Company Scoresheet



**Company Name** L Brands  
**Industry** Apparel (Supply Chain only)  
**Overall Score (\*)** 16.2 out of 100

Theme Score	Out of	For Theme
0.2	10	A. Governance and Policies
5.2	25	B. Embedding Respect and Human Rights Due Diligence
3.8	15	C. Remedies and Grievance Mechanisms
2.8	20	D. Performance: Company Human Rights Practices
3.2	20	E. Performance: Responses to Serious Allegations
1.1	10	F. Transparency

(\*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also 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 2018 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

#### A. Governance and Policies (10% of Total)

##### A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• 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</li> <li>• Not met: UNGC principles 1 &amp; 2: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator</li> <li>• Not met: UDHR: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator</li> <li>• 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</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: UNGPs: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator</li> <li>• Not met: OECD: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator</li> </ul>
A.1.2	Commitment to respect the human rights of workers	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: ILO Core: The Company has a commitment to non-discrimination. No further evidence found on commitments to ILO core labour standards on its own operations. [Code of conduct on website]</li> <li>• Not met: UNGC principles 3-6: See above [Code of conduct on website]</li> <li>• Not met: All four ILO for AP suppliers: The supplier code of conduct includes explicit commitments in relation to 'child labour', 'Non-discrimination', 'No forced</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>labour', and 'Freedom of Association'. No evidence found, however, in relation to respecting the right to collective bargaining. [Code of conduct for suppliers] Score 2</p> <ul style="list-style-type: none"> <li>• Not met: All four ILO Core: The Company has a formal commitment in relation to non-discrimination. [Code of conduct on website]</li> <li>• Met: Respect H&amp;S of workers: The Company's code of conduct contains a statement on health and safety at the workplace [Code of conduct on website]</li> <li>• Met: H&amp;S applies to AP suppliers: The code for suppliers states that 'the work environment shall be safe and healthy' [Code of conduct for suppliers]</li> <li>• Not met: working hours for employees: Although the code of conduct states that 'we follow all applicable wage and hour laws and regulations' [Code of conduct on website]</li> <li>• 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'. [Code of conduct for suppliers]</li> </ul>
A.1.3.AP	Commitment to respect human rights particularly relevant to the industry (AP)	0	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Women's Rights</li> <li>• Not met: Children's Rights</li> <li>• Not met: Migrant worker's rights</li> <li>• Not met: Expecting suppliers to respect these rights: No evidence found on the Company expecting commitments in relation to children and women from suppliers. However, the Company's California Transparency Act Statement contains the following commitment on migrant workers for suppliers: 'The Policy [to ensure minimizing risk of human trafficking or forced labour in the supply chain] includes an executive approval process to use a factory that employs foreign migrant workers contingent on positive results found during a specialized audit developed in accordance with the International Labour Organization's handbook on Combating Forced Labour. Factories that employ foreign migrant workers are closely monitored to ensure there are no forced labour violations and that workers have freedom of movement and are treated in accordance with the law'. [California Transparency act statement] <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: CEDAW/Women's Empowerment Principles</li> <li>• Not met: Child Rights Convention/Business principles</li> <li>• Not met: Convention on migrant workers</li> <li>• Not met: Respecting the right to water</li> <li>• Not met: Expecting suppliers to respect these rights: See above [California Transparency act statement]</li> </ul> </li></ul>
A.1.4	Commitment to engage with stakeholders	0	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Commits to stakeholder engagement</li> <li>• Not met: Regular stakeholder engagement</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Commits to remedy</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <li>• Not met: Collaborating with other remedy initiatives</li> <li>• Not met: Work with AP suppliers to remedy impacts</li> </ul>
A.1.6	Commitment to respect the rights of human rights defenders	0	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Zero tolerance attacks on HRs Defenders (HRDs)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Expects AP suppliers to reflect company HRD commitments</li> </ul>

## A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	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"> <li>• Not met: CEO or Board approves policy: The Code of conduct, which contains commitment on non-discrimination and health and safety, is prefaced and signed by the Chairman &amp; CEO. However, it does not contain a general commitment to respect Human rights. [Code of conduct on website]</li> <li>• Not met: Board level responsibility for HRs: The Audit Committee Charter states that 'the Audit Committee shall review periodically with management, including the General Counsel, and the independent auditors significant legal or regulatory matters affecting the Company as well as significant matters arising under the Company's code of business conduct'. This code of conduct covers equal opportunity and workplace safety. However, no evidence found of specific oversight of these areas. [Audit Committee Charter]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Speeches/letters by Board members or CEO: CHRB has not identified any document in the public domain which provide all the information required to meet this indicator</li> </ul>
A.2.2	Board discussions	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"> <li>• Not met: Board/Committee review of salient HRs</li> <li>• Not met: Examples or trends re HR discussion</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both examples and process</li> </ul>
A.2.3	Incentives and performance management	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"> <li>• Not met: Incentives for at least one board member</li> <li>• Not met: At least one key AP HR risk, beyond employee H&amp;S</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	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"> <li>• Not met: Senior responsibility fo HR (inc ILO): The Company has a 'Sourcing Risk Committee' comprised of senior executives which assesses risks related to supply chain and responsible sourcing. It is under the guidance and oversight of board. However, no evidence found of the senior manager in charge of overseeing human rights within the Company's own operations. Also, the Company's policies don't contain commitments in relation to the ILO Declaration, or ILO core areas, or the UNGC. [Supply chain commitment and governance]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Day-to-day responsibility</li> <li>• Met: Day-to-day responsibility 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'. [Know the chain response 2016, 2016]</li> </ul>
B.1.2	Incentives and performance management	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"> <li>• Not met: Senior manager incentives for human rights</li> <li>• Not met: At least one key AP HR risk, beyond employee H&amp;S</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>
B.1.3	Integration with enterprise risk management	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"> <li>• Met: HR part of enterprise risk system: The Company's annual report identifies the following risks within its global risk identification: 'Failure to comply with ethical, social, product, labour and environmental standards, or related political considerations, could also jeopardize our reputation and potentially lead to various adverse consumer actions, including boycotts'. [Annual report &amp; proxy statement]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>Not met: Audit Ctte or independent risk assessment</li> </ul>
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Communicates its policy to all workers in own operations: The Company's code of conduct does not cover all ILO core areas. [Code of conduct on website]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Communication of policy commitments to stakeholder</li> <li>Not met: How policy commitments are made accessible to audience</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Steps to communicate policy commitments to BRs: The Company indicates in the KnowTheChain response that the Supplier 'Code of Conduct is required to be posted in each active factory, visible and prominently posted in all workers' native languages. Monitoring is conducted annually to ensure the posters are appropriately posted and communication has been conveyed to the workers regarding the Code of Conduct, labour law and wage pay calculation. Training must also be communicated in the workers' native languages'. Also, on the website, the Company states that it publishes and distributes, on annual basis, a Compliance Guidebook: 'The Guidebook is a collection of policies and standards that our suppliers are expected and legally obligated to comply with'. It includes the supplier code and the full compliance program. However, no evidence found within the Company's policies in relation to respecting the right to collective bargaining. [Social compliance program &amp; Know the chain response 2016, 2016]</li> <li>Not met: Including to AP suppliers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: How HR commitments made binding/contractual: The Company states on its website that 'L Brands suppliers are required to sign a Master Sourcing Agreement (MSA) that explicitly states that the supplier and their factories will comply with all applicable laws and L Brands policies'. This includes the 'supplier code of conduct', the 'sourcing country policy' and the 'foreign Migrant worker policy' among others. However, no evidence found within this policies in relation to respecting the right to collective bargaining.</li> <li>Not met: Including on AP suppliers: The code for suppliers states that 'L Brands requires all suppliers and subcontractors to fully comply with its Code of Conduct. L Brands does not allow unauthorized subcontracting. A formal request must be submitted to L Brands for approval, should a supplier require subcontracting'. However, no evidence found within the Company's policies in relation to respecting the right to collective bargaining.</li> </ul>
B.1.5	Training on Human Rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Trains all workers on HR policy commitments: CHRB has not identified any documents in the public domain which provide all the information required to meet this indicator</li> <li>Not met: Trains relevant managers including procurement: The Company indicates on its website that 'for suppliers, factory management and associates [employees] who have direct responsibility for supply chain management, we host annual awareness and training conferences – called communication sessions – in multiple countries around the world on all compliance standards. In addition, 'In 2017, L Brands enlisted the support of a third-party subject matter expert to conduct training for associates involved in the purchasing process o raise awareness on their impact and accountability for responsible purchasing practices'. 'Industry best practices were shared in areas of sampling, sourcing, production, forecasting and planning', although it is not clear whether this third-party training includes human rights considerations. In addition, the Company's policies don't cover all ILO core areas. [Social compliance program]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> </ul>
B.1.6	Monitoring and corrective actions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Monitoring implementation of HR policy commitments: The Company has an independent compliance function, 'Independent Production Services' (IPS). It uses a combination 'of both announced and unannounced audits'. It indicates that 'Our audits are typically conducted by a pair of auditors and include a meeting with facility management, a factory tour (including warehouses and dormitories) and a review of relevant documents'. It also states that in addition to the regular audit process, '30% of our factories are selected annually for unannounced,</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>intensive labour standards and workplace conditions audits that include worker interviews. These audits are conducted by specialized external auditors. However, no evidence found on whether the Company monitors its own operations. Also, the code of conduct and the code for suppliers don't include all ILO core areas. [Social compliance program]</p> <ul style="list-style-type: none"> <li>• Not met: Monitoring AP suppliers: As indicated above the Company audits the supply chain through its own system and also using external auditors. However, the Company's policies don't cover all ILO core areas. [Social compliance program]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Describes corrective action process: In case of non-compliance, the Company has a corrective action process: 'L Brands has a remediation system where a corrective action plan (CAP) is automatically created for all non-compliance findings and suppliers are automatically notified when they need to complete a CAP. It is the supplier's responsibility to submit all CAPs within 30 days. All corrective actions are expected to be completed within 90 days of receiving notification. All corrective action correspondence and support evidence is thoroughly documented in the system'. However, no evidence found in relation the number of incidences found (or number of times that the corrective action process was needed). [Social compliance program]</li> <li>• Not met: Example of corrective action</li> <li>• Not met: Discloses % of supply chain monitored: The Company indicates that 'IPS audits at least 95% of its in-scope factories annually, and exceeded this goal in 2016 and 2017 with 97% and 96%, respectively, successfully audited'. However, which percentage of the total supply chain 'in-scope factories' represent. In addition, the Company's code for suppliers does not cover the commitment to respect the right to collective bargaining. [Social compliance program]</li> </ul>
B.1.7	Engaging business relationships	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"> <li>• Met: HR affects selection of suppliers: The Company indicates that, as part of its risk assessment process: '1) An initial supplier verification and risk assessment is conducted to prevent involvement with high-risk suppliers. 2) Once a supplier has passed the risk assessment, the relationship between L Brands and a qualified supplier begins with a written master sourcing agreement wherein the supplier certifies that its factories and any that it may contract will strictly adhere to L Brands supplier code of conduct', including codes and any applicable laws pertaining to slavery and human trafficking'. [Social compliance program]</li> <li>• Met: HR affects on-going supplier relationships: The Company indicates that it reviews the corrective action plans submissions daily. In relation this, it states that 'if a factory does not make improvements in a timely manner, we have an escalation process in place which includes a warning letter to the supplier, reduction of business or ultimately loss of business. L Brands will not work with suppliers and factories that are unwilling or unable to work with us to achieve our compliance standards'. [Social compliance program]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirement under score 1 met: See above</li> <li>• Not met: Working with suppliers to improve performance: CRB has not identified any documents in the public domain which provide all the information required to meet this indicator</li> </ul>
B.1.8	Approach to engagement with potentially affected stakeholders	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"> <li>• Not met: Stakeholder process or systems</li> <li>• Not met: Frequency and triggers for engagement</li> <li>• Not met: workers in the SP engaged</li> <li>• Not met: communities in the SC engaged</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Analysis of stakeholder views and company's actions on them</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying 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"> <li>• Not met: Identifying risks in own operations: The Company indicates that it performs risk assessments in its supply chain, including human rights issues. However, no evidence found in relation to the process that it follows to identify its human rights risks and impacts covering both operations and supply chain. [California Transparency act statement &amp; Social compliance program]</li> <li>• Not met: Identifying risks in AP suppliers</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Ongoing global risk identification</li> <li>• Not met: In consultation with stakeholders</li> <li>• Not met: In consultation with HR experts</li> <li>• Not met: Triggered by new circumstances</li> </ul>
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"> <li>• Met: Salient risk assessment (and context): The Company indicates in its 'modern slavery statement' that 'we recognize that there are risks of human trafficking and forced labour in certain countries, factories and product categories. Therefore, a verification and risk assessment is conducted for new suppliers to prevent involvement with high-risk business partners'. We use resources such as the annual U.S. State Department's Trafficking in Persons report and the U.S. Department of Labour's report on international child labour and forced labour to determine countries and product categories with heightened risks of human trafficking and forced labour'. In addition, the Company has a 'Sourcing Risk Committee comprised of senior executives from various company divisions and functions that meets at least quarterly to discuss core business, sourcing and purchasing practices and assesses current risks, including geopolitical, social compliance and associated supply risks'. [California Transparency act statement]</li> <li>• Not met: Public disclosure of salient risks: As indicated, the Company states that 'we recognize that there are risks of human trafficking and forced labour in certain countries, factories and product categories'. However, no further details found on the results of the assessments.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	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"> <li>• Not met: Action Plans to mitigate risks</li> <li>• Met: Example of Actions decided: The Company indicates that 'because of the reports documenting the system use of forced labour (including the worst forms of child labour) in the harvest of cotton in both Uzbekistan and Turkmenistan, we have adopted a policy to prohibit the sourcing of Uzbek and Turkmen cotton for the manufacturing of any of our products until the respective governments end the practice of forced labour, including child labour, 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'. [California Transparency act statement]</li> <li>• Not met: Including in AP supply chain</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
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"> <li>• Not met: System to check if Actions are effective</li> <li>• Not met: Lessons learnt from checking effectiveness</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
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"> <li>• Not met: Comms plan re identifying risks</li> <li>• Not met: Comms plan re assessing risks</li> <li>• Not met: Comms plan re action plans for risks</li> <li>• Not met: Comms plan re reviewing action plans</li> <li>• Not met: Including AP suppliers</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Responding to affected stakeholders concerns</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>

## C. Remedies and Grievance Mechanisms (15% of Total)

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"> <li>• Met: Channel accessible to all workers: The Company describes on its website the different ways that employees have to report a violation of the code, including direct report to business VP or Human Resources Director, ethics hotline, email and postal address. 'The hotline is operated and staffed by independent company that provides a reporting service for all of L Brands'. The Chair of the Ethics committee is available to 'all associates for information and assistance on any matter of this code'.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Number grievances filed, addressed or resolved</li> <li>• Not met: Channel is available in all appropriate languages</li> <li>• Met: Expect AP supplier to have equivalent grievance systems: The Company states in its response to Know the Chain that 'L Brands does not have a singular grievance system mandated to all suppliers. However, we do require all suppliers to implement an effective grievance system in each factory that is appropriate for their region. If we find during our annual audits that the grievance mechanism is non-existent or ineffective, the factory will be required to submit a corrective action plan and is expected to immediately remediate any noncompliance. We expect all suppliers to cascade all compliance requirements down through their supply chain'.</li> <li>• Not met: Opens own system to AP supplier workers</li> </ul>
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"> <li>• Not met: Grievance mechanism for community</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Describes accessibility and local languages</li> <li>• Not met: Expects AP supplier to have community grievance systems</li> <li>• Not met: AP supplier communities use global system</li> </ul>
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	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"> <li>• Not met: Engages users to create or assess system</li> <li>• Not met: Description of how they do this</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Engages with users on system performance</li> <li>• Not met: Provides user engagement example on performance</li> <li>• Not met: AP suppliers consult users in creation or assessment</li> </ul>
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	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"> <li>• Not met: Response timescales</li> <li>• Not met: How complainants will be informed</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Escalation to senior/independent level</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	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"> <li>• Met: Public statement prohibiting retaliation: The Company states on its website that 'If you see something that you think is wrong, don't worry about the repercussions of sharing it. In no event will you or any Associate be subject to reprisals, retribution or any career disadvantage for complying with the reporting or other requirements of this code. Company policy strictly prohibits any retaliation for reporting under this code'. [Code violations &amp; reporting on website]</li> <li>• Met: Practical measures to prevent retaliation: The Company indicates that 'the hotline is operated and staffed by an independent company that provides a reporting service for all of L Brands. All reports to the Company concerning issues under the Code will be kept confidential to the extent reasonably possible, and, if necessary, reports can be made anonymously'. [Code violations &amp; reporting on website]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Has not retaliated in practice</li> <li>• Not met: Expects AG suppliers to prohibit retaliation</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Won't impede state based mechanisms</li> <li>Not met: Complainants not asked to waive rights</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Will work with state based or non judicial mechanisms</li> <li>Not met: Example of issue resolved (if applicable)</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>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'. [Know the chain response 2016, 2016]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Changes introduced to stop repetition</li> <li>Not met: Evaluation of the channel/mechanism</li> </ul>

### D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.1.b	Living wage (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Living wage in supplier code or contracts: The supplier code for suppliers states that 'payment to worker of the minimum wage prescribed by local law or the prevailing local industry wage, whichever is higher'. However, no evidence found in relation to guidelines on living wage. [Code of conduct for suppliers]</li> <li>Not met: Improving living wage practices of suppliers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.2	Aligning purchasing decisions with human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Avoids business model pressure on HRs: The KnowTheChain response states that the Company 'avoids purchasing practices that increase our risk of human trafficking and forced labour in our supply chain'. It has adopted the 'policy to avoid sourcing Uzbek cotton for the manufacturing of any of our products until the Government of Uzbekistan ends the practice of child labour in its cotton sector' and 'also avoids and discourages the use of factories utilizing foreign migrant workers, which may be at risk for human trafficking'. However it does not disclose practices to avoid price or short notice requirements or other business considerations, or positive incentives. In addition the Company indicates that in 2017 carried out training of employees in responsible purchasing practices and that it has discussions 'regarding upcoming purchasing plans with suppliers, regularly reviews factory capacity reports and looks for opportunities for continuous improvements'. However it does not disclose the specific practices that it adopts, and whether they include human rights considerations. [Social compliance program &amp; Know the chain response 2016, 2016]</li> <li>Not met: Positive incentives to respect human rights: See above</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> </ul>
D.2.3	Mapping and disclosing the supply chain	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Identifies suppliers back to product source (farm, ranch etc): The Company states on its website that 'L Brands has mapped our tier 1 suppliers, and we continue to map our supply chain, including our tier 2 and tier 3 suppliers for our core products. As mapping progresses we are verifying that the substantial majority of our tier 2 and tier 3 facilities are located in the countries where the majority of our production takes place (United States, China, Sri Lanka, Vietnam and India). [Social compliance program]</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>Met: Discloses significant parts of supply chain and why: The Company discloses the mapping of its 'tier 1 apparel suppliers' including their name and address. [Traceability and risk assessment, 08/2018: <a href="#">lb.com</a> &amp; Tier 1 factories on website: <a href="#">lb.com</a>]</li> </ul>
D.2.4.b	Child labour: Age verification and corrective actions (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Child Labour rules in codes or contracts: The supplier code of conduct contains a commitment against child labour. However, no evidence found in relation to guidelines, including age verification and remediation programmes.</li> <li>Not met: How working with suppliers on child labour</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.5.b	Forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Debt and fees rules in codes or contracts</li> <li>Not met: How working with suppliers on debt &amp; fees: Although the modern slavery statement for fiscal 2016 states that in 2017 and 2018 the Company plans to take the following [among others] action: 'Factories producing for L Brands are prohibited from charging recruitment fees to workers, forcing workers to work in order to repay an incurred or inherited debt or using irregular, delayed, deferred or non-payment of wages as a means to bind workers to employment', no evidence of work carried out to date to with suppliers to improve their practices. [California Transparency act statement]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.5.d	Forced labour: Restrictions on workers (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Free movement rules in codes or contracts: The Company discloses in the 'Modern Slavery Statement for fiscal 2016' its foreign migrant worker policy: 'This policy includes an executive approval process to use a factory that employs foreign migrant workers contingent on positive results found during a specialized audit developed in accordance with the International Labour Organization's handbook on Combating Forced Labour. Factories that employ migrant workers are closely monitored to ensure there are no forced labour violations and workers have freedom of movement and are treated in accordance with the law. Any associate who contracts a factory that uses foreign migrant workers without executive approval is subject to disciplinary action, including, but not limited to, termination of employment'. [California Transparency act statement]</li> <li>Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.6.b	Freedom of association and collective bargaining (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: FoA &amp; CB rules in codes or contracts: No evidence found of a commitment to respect the right to collective bargaining [Code of conduct for suppliers]</li> <li>Not met: How working with suppliers on FoA and CB</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Sets out clear Health and Safety requirements: The code for suppliers states that 'The work environment shall be safe and healthy'. No further details found. [Code of conduct for suppliers]</li> <li>Not met: Injury rate disclosures</li> <li>Not met: Lost days or near miss disclosures</li> <li>Not met: Fatalities disclosures</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: How working with suppliers on H&amp;S</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.8.b	Women's rights (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Women's rights in codes or contracts</li> <li>• Not met: How working with suppliers on women's rights: The Company reports the work carried out by two suppliers to improve women situation within the industry. Although it discloses the programmes that these suppliers are implementing, it is not clear which is the specific role that the Company plays in each case. [Featured partnerships]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> <li>• Not met: Provide analysis of trends in progress made</li> </ul>
D.2.9.b	Working hours (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Working hours in codes or contracts: The Company's Supplier Code of Conduct 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, the commitments refer to regular schedules, and therefore it is not clear whether it applies all times. [Code of conduct for suppliers]</li> <li>• Not met: How working with suppliers on working hours</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provide analysis of trends in progress made</li> </ul>

### E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity thresholds were found, and so the score of 12.95 out of 80 points scored in themes A-D & F has been applied to produce a score of 3.24 out of 20 points for theme E.

### F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	1.1 out of 4	Out of a total of 40 indicators assessed under sections A-D of the benchmark, L Brands made data public that met one or more elements of the methodology in 11 cases, leading to a disclosure score of 1.1 out of 4 points.
F.2	Recognised Reporting Initiatives	0 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> <li>• Not met: Company reports on GRI: CHRB has not identified any documents in the public domain which provide all the information required to meet this indicator.</li> <li>• Not met: Company reports on SASB: CHRB has not identified any documents in the public domain which provide all the information required to meet this indicator.</li> <li>• Not met: Company reports on UNGPRF: CHRB has not identified any documents in the public domain which provide all the information required to meet this indicator.</li> </ul>
F.3	Key, High Quality Disclosures	0 out of 4	L Brands met 0 of the 8 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.2 : Board discussions</li> <li>• Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>• Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>• Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s)</li> </ul> Discussing challenges openly <ul style="list-style-type: none"> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned</li> </ul> Demonstrating a forward focus <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</li> </ul>

## 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 2018 Key Findings report for more details of the research process.

The Benchmark is made available on the express understanding that it will be used solely for general information purposes. The material contained in the Benchmark should not be construed as relating to accounting, legal, regulatory, tax, research or investment advice and it is not intended to take into account any specific or general investment objectives. The material contained in the Benchmark does not constitute a recommendation to take any action or to buy or sell or otherwise deal with anything or anyone identified or contemplated in the Benchmark. Before acting on anything contained in this material, you should consider whether it is suitable to your particular circumstances and, if necessary, seek professional advice. The material in the Benchmark has been put together solely according to the CHRB methodology and not any other assessment models in operation within any of the project partners or EIRIS Foundation as provider of the analyst team.

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As CHRB Ltd, 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.