



Bath & Body Works Releases Inaugural ESG Report

April 5, 2023 1:06 PM EDT

Report features company's new near- and longer-term ESG commitments and 2022 baseline ESG data

COLUMBUS, Ohio, April 05, 2023 (GLOBE NEWSWIRE) -- Bath & Body Works, Inc. (NYSE: BBWI), a leader in personal care and home fragrance, today released its first environmental, social and governance (ESG) annual report, detailing the company's commitments and approach to work toward a more resilient and responsible future.

"Bath & Body Works is making great strides on our ESG journey, and our inaugural ESG report and commitment to meaningful ESG targets is an important step forward," said CEO Gina Boswell. "We recognize the importance of leading with transparency and supporting the well-being of our people, communities and planet. We look forward to reporting our progress as we integrate our sustainability strategy into our work to deliver long-term value and responsible growth."

"This first ESG report formalizes our ESG commitments as part of our existing values, ethics and business practices," said Jeff King, Vice President of ESG. "Within this report, we include our 2022 baseline data that we will use to demonstrate our progress in years to come. We look forward to working with our associates, customers, vendor partners and other third parties to make progress year-over-year and a meaningful difference for a brighter tomorrow."

The company is outlining its approach to working toward its new near- and longer-term ESG commitments, focused on Engaged People, Thoughtful Products and Brighter Places. The development of the company's ESG focus, strategy and commitments follows an extensive ESG prioritization assessment, which included research and engagement with key stakeholders including associates across business segments, customers, suppliers, investors and nonprofits, to identify the company's six areas of focus:

- People and Culture
- Diversity, Equity and Inclusion
- Product Transparency and Ingredients
- Sustainable Sourcing
- Packaging and Plastics
- Climate Change and Carbon Emissions

Today, the company is taking near-term actions to work towards making a difference and building on its strong foundation by 2025, including:

- Increasing ethnic and racial diversity among its leadership, ensuring fair, flexible and healthy workplaces with inclusive benefits and enhancing its supplier diversity program.
- Defining, mapping and publishing a list of priority ingredients which will be the focus of the company's sustainability programs.
- Measuring and setting a comprehensive baseline carbon footprint for Scope 3 emissions.
- Submitting a science-based greenhouse gas (GHG) reduction target to Science-Based Targets initiative (SBTi).
- Shifting to a packaging model where 50% of its packaging will be recyclable, reusable or compostable.
- Increasing the amount of post-consumer recycled content (PCR) to 33% of its total plastic packaging portfolio.

As part of its 2030 goals, the company is taking longer-term actions to work toward creating a meaningful impact for a brighter future, including:

- The continuous review and updating of its compensation and benefits with evolving best practices.
- Improving the sustainability profile of priority ingredients used throughout its products, from source to use.
- Reducing Scope 1 and 2 emissions by 50%.
- Significantly reducing GHG emissions across its operations and supply chain as the company moves towards net-zero.
- Ensuring 100% of its packaging is recyclable, reusable or compostable.

The complete report is available on the company's website at bbwinc.com/about-us/esg/esg-report.

ABOUT BATH & BODY WORKS:

Home of America's Favorite Fragrances[®], Bath & Body Works is a global leader in personal care and home fragrance, including top-selling collections for fine fragrance mist, body lotion and body cream, 3-wick candles, home fragrance diffusers and liquid hand soap. Powered by agility and innovation, the company's predominantly U.S.-based supply chain enables the company to deliver quality, on-trend luxuries at affordable prices. Bath & Body Works serves and delights customers however and wherever they want to shop, from welcoming, in-store experiences at more than 1,800 company-operated Bath & Body Works locations in the U.S. and Canada and more than 425 international franchised locations to an online storefront at bathandbodyworks.com.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

We caution that any forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) contained in this press release or made by our company or our management 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 financial results may differ materially from those expressed or implied in any such forward-looking statements. Words such as "estimate," "project," "plan," "believe," "expect," "anticipate," "intend," "planned," "potential" and any similar expressions may identify forward-looking statements. Risks associated with the following factors, among others, in some cases have affected and in the future could affect our financial performance and actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements included in this press release or otherwise made by our company or our management:

- general economic conditions, inflation, consumer confidence, consumer spending patterns and market disruptions including pandemics or significant health hazards, severe weather conditions, natural disasters, terrorist activities, financial crises, political crises or other major events, or the prospect of these events;
- the seasonality of our business;
- the anticipated benefits from the Victoria's Secret & Co. spin-off may not be realized;
- the spin-off of Victoria's Secret & Co. may not be tax-free for U.S. federal income tax purposes;
- our dependence on Victoria's Secret & Co. for information technology services and the transition of such services to our own information technology systems or to those of third-party technology service providers;
- our ability to attract, develop and retain qualified associates and manage labor-related costs;
- difficulties arising from turnover in company leadership or other key positions;
- the dependence on store traffic and the availability of suitable store locations on appropriate terms;
- our continued growth in part through new store openings and existing store remodels and expansions;
- our ability to successfully operate and expand internationally and related risks;
- our independent franchise, license and wholesale partners;
- our direct channel business;
- our ability to protect our reputation and our brand image;
- our ability to successfully complete environmental, social and governance initiatives, and associated costs thereof;
- our ability to successfully achieve expected annual cost savings in connection with our profit optimization efforts to reduce expenses and improve operating efficiency in the business;
- our ability to attract customers with marketing, advertising and promotional programs;
- our ability to maintain, enforce and protect our trade names, trademarks and patents;
- the highly competitive nature of the retail industry and the segments in which we operate;
- consumer acceptance of our products and our ability to manage the life cycle of our brand, develop new merchandise and launch new product lines successfully;
- our ability to source, distribute and sell goods and materials on a global basis, including risks

related to:

- political instability, wars and other armed conflicts, environmental hazards or natural disasters;
- significant health hazards or pandemics, such as the COVID-19 pandemic, which could result in closed factories and/or stores, reduced workforces, scarcity of raw materials, and scrutiny or embargoing of goods produced in impacted areas;
- duties, taxes and other charges;
- legal and regulatory matters;
- volatility in currency exchange rates;
- local business practices and political issues;
- delays or disruptions in shipping and transportation and related pricing impacts;
- disruption due to labor disputes; and
- changing expectations regarding product safety due to new legislation;
- our geographic concentration of vendor and distribution facilities in central Ohio;
- our reliance on a limited number of suppliers to support a substantial portion of our inventory purchasing needs;
- the ability of our vendors to deliver products in a timely manner, meet quality standards and comply with applicable laws and regulations;
- fluctuations in foreign currency exchange rates;
- fluctuations in product input costs;
- fluctuations in energy costs;
- our ability to adequately protect our assets from loss and theft;
- increases in the costs of mailing, paper, printing or other order fulfillment logistics;
- claims arising from our self-insurance;
- our and our third-party service providers', including Victoria's Secret & Co. during the term of the Transition Services Agreement between us and Victoria's Secret & Co., ability to implement and maintain information technology systems and to protect associated data;
- our ability to maintain the security of customer, associate, third-party and company information;
- stock price volatility;
- our ability to pay dividends and make share repurchases under share repurchase authorizations;
- shareholder activism matters;
- our ability to maintain our credit ratings;
- our ability to service or refinance our debt and maintain compliance with our restrictive covenants;
- the impact of the transition from London Interbank Offered Rate and our ability to adequately manage such transition;
- our ability to comply with laws, regulations and technology platform rules or other obligations related to data privacy and security;

- our ability to comply with regulatory requirements;
- legal and compliance matters; and
- tax, trade and other regulatory matters.

We are not under any obligation and do not intend to make publicly available any update or other revisions to any of the forward-looking statements contained in this press release to reflect circumstances existing after the date of this press release or to reflect the occurrence of future events even if experience or future events make it clear that any expected results expressed or implied by those forward-looking statements will not be realized. Additional information regarding these and other factors can be found in "Item 1A. Risk Factors" in our 2022 Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, and our subsequent filings.

For further information, please contact:

Bath & Body Works, Inc.:

Media Relations

Communications@bbw.com

Investor Relations

InvestorRelations@bbw.com