

VICTORIA'S SECRET

UNITED KINGDOM

2017 GENDER PAY GAP REPORT

Background

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 went into effect on 6 April 2017 and requires employers in the U.K. with 250 or more employees to publish information relating to the gender pay gap in their organisation. The gender pay gap is a measure of the difference between the average earnings of the male and female employees within an organisation. This difference is reported in both mean and median hourly earnings, as well as bonus pay.

Our Findings

On 5 April 2017, Victoria's Secret UK employed 850 associates, comprising 791 women and 59 men. While we are consistent in how we pay men and women for the same role, gender distribution across roles varies. As the leading specialty retailer of women's lingerie, Victoria's Secret attracts significantly more female than male applicants to our lower paying, non-management associate roles. The following table shows the percent of male and female employees according to quartile pay bands.

Quartile	Women account for	Men account for
Top	89%	11%
Upper Middle	94%	6%
Lower Middle	91%	9%
Lower	99%	1%

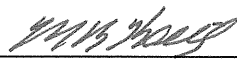
The mean hourly rate for women is 15.1 percent less than for men, and the median is 19.4 percent less for women than men, primarily driven by the draw of females to our non-management associate roles in our lingerie stores.

For most Victoria's Secret UK associates, bonuses are paid based on personal sales performance. The proportion of our male and female associates who received bonus pay for the year leading up to 5 April 2017 was broadly on par, with 45 percent of our male employees and 44 percent of our female employees receiving bonus pay. Among those who received performance-based bonus pay, women were paid 9.7 percent less (mean) and 1.96 percent less (median) than men.

Conclusion

At L Brands, we focus on recruiting, retaining and advancing diverse talent for an organisation that reflects the customers we serve and the communities where we live and work.

I confirm that the information and data reported is accurate and in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Mark Koenig, Director
Victoria's Secret UK Limited