



# INVESTOR DAY

Thursday, October 13, 2022

VS&Co  
VICTORIA'S SECRET & CO.



# Forward Looking Statements

*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 U.S. Private Securities Litigation Reform Act of 1995) contained in this presentation or made by the Company, 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 financial results may differ materially from those expressed or implied in any such forward-looking statements. Forward-looking statements include, without limitation, statements regarding our future operating results, the implementation and impact of our strategic plans, and our ability to meet environmental, social, and governance goals. Words such as “estimate,” “commit,” “target,” “goal,” “project,” “plan,” “believe,” “seek,” “strive,” “expect,” “anticipate,” “intend,” “potential” and any similar expressions may identify forward-looking statements. Risks associated with the following factors, among others, could affect our financial performance and cause actual results to differ materially from those expressed or implied in any forward-looking statements:

- the spin-off from Bath & Body Works, Inc. (f/k/a L Brands, Inc.) may not be tax-free for U.S. federal income tax purposes;
- a loss of synergies from separating the businesses that could negatively impact our balance sheet, profit margins or earnings;
- we may not realize all of the expected benefits of the spin-off;
- 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 novel coronavirus (COVID-19) global pandemic has had and may continue to have an adverse effect on our business and results of operations;
- the seasonality of our business;
- difficulties arising from turnover in company leadership or other key positions;
- our ability to attract, develop and retain qualified associates and manage labor-related costs;
- our dependence on mall traffic and the availability of suitable store locations on appropriate terms;
- our ability to grow through new store openings and existing store remodels;

- our ability to successfully operate and expand internationally and related risks;
- our independent franchise, license, wholesale, and joint venture partners;
- our direct channel business;
- our ability to protect our reputation and the image of our brands;
- 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 brands, keep up with fashion trends, 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, environmental hazards or natural disasters;
  - significant health hazards or pandemics, which could result in closed factories, 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 and Southeast Asia;
- the ability of our vendors to deliver products in a timely manner, meet quality standards and comply with applicable laws and regulations;
- fluctuations in freight, product input and energy costs, including those caused by inflation;

- our ability to adequately protect our assets from loss and theft;
- claims arising from our self-insurance;
- our and our third-party service providers’ ability to implement and maintain information technology systems and to protect associated data and system availability;
- our ability to maintain the security of customer, associate, third-party and company information;
- stock price volatility;
- shareholder activism matters;
- our ability to maintain our credit rating;
- our ability to service or refinance our debt and maintain compliance with our restrictive covenants;
- 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.

Except as may be required by law, we assume no obligation and do not intend to make publicly available any update or other revisions to any of the forward-looking statements contained in this presentation to reflect circumstances existing after the date of this presentation 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. More information on potential factors that could affect our results is included in “Item 1A. Risk Factors” in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 18, 2022.



**Martin Waters**

Chief Executive Officer, Victoria's Secret & Co.



**Timothy Johnson**

Chief Financial & Administrative Officer,  
Victoria's Secret & Co.



**Amy Hauk**

Chief Executive Officer,  
Victoria's Secret & PINK



**Christine Rupp**

Chief Customer Officer,  
Victoria's Secret & Co.



**Greg Unis**

Chief Growth Officer,  
Victoria's Secret & Co.



# Agenda

- **Company Overview**
- Financial Update
- Brand Strategy
- Customer & Omni Channel Update
- Growth Strategy
- Appendix





# Reminder of Our Journey – Three Phases



**2008 – 2016**  
Growth Years

**2016 – 2019**  
Execution Missteps

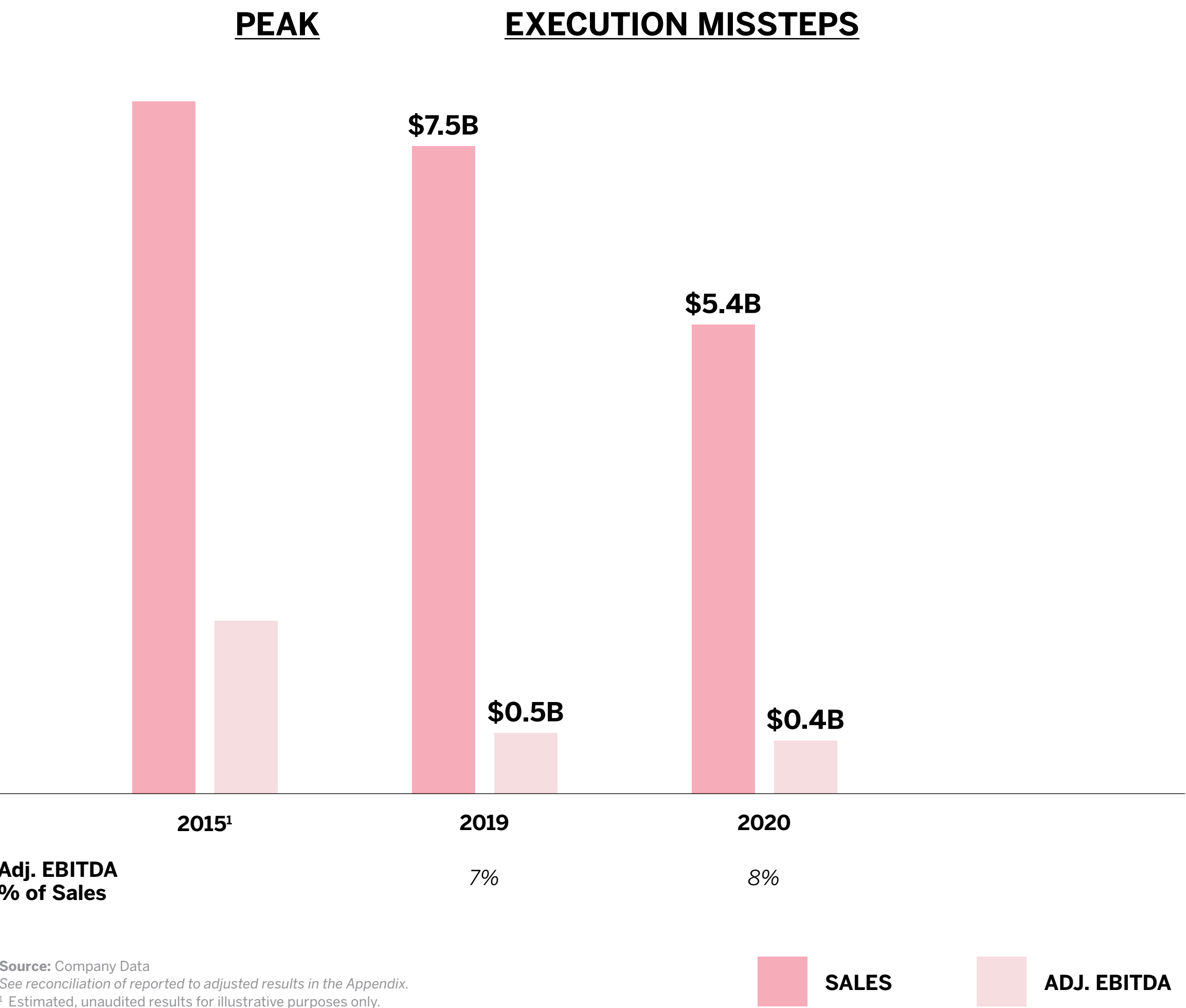
**2020 – 2022**  
Rebuilding the Foundation

*Recovery in process with  
significant upside opportunity*



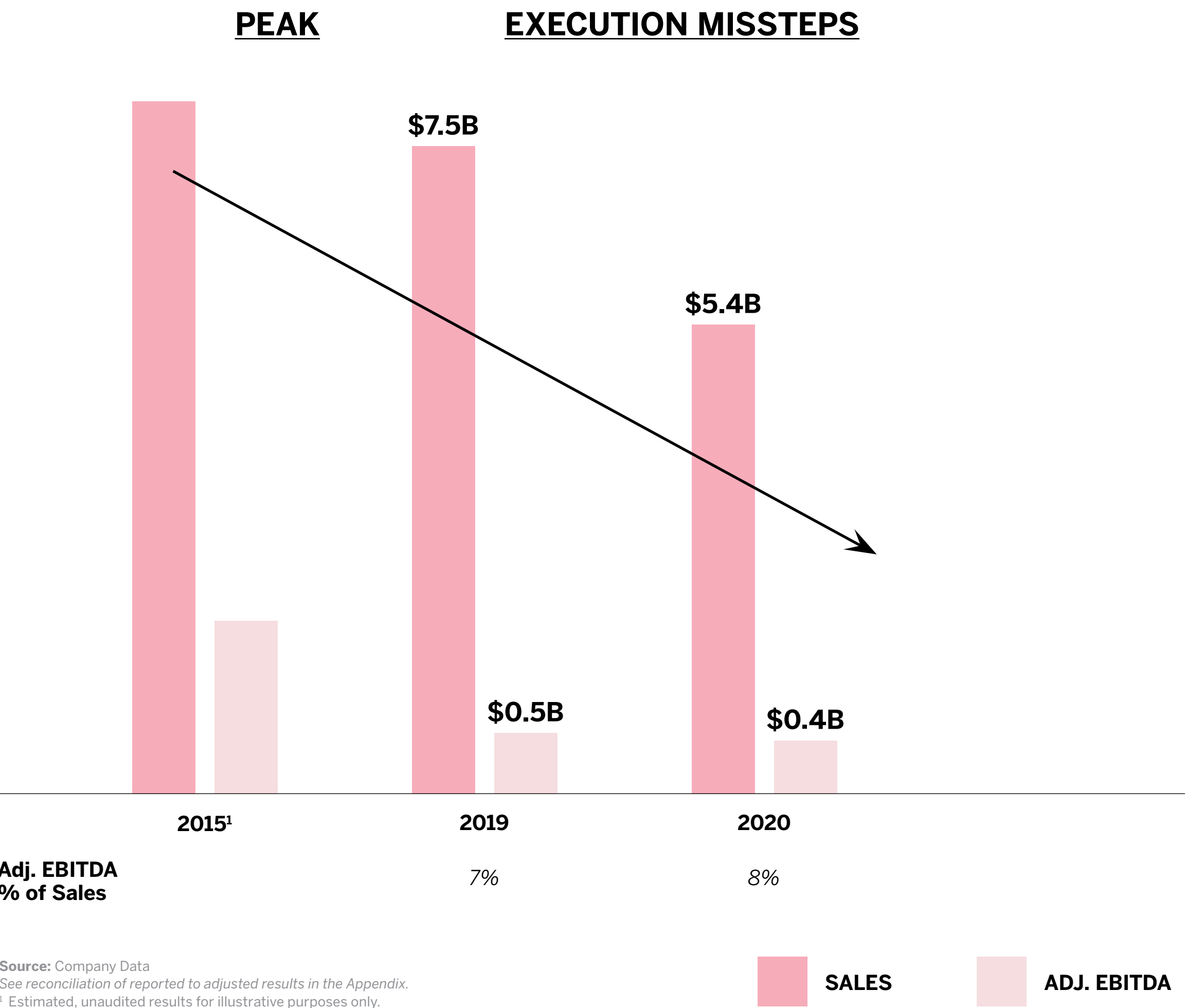


# Performance Journey



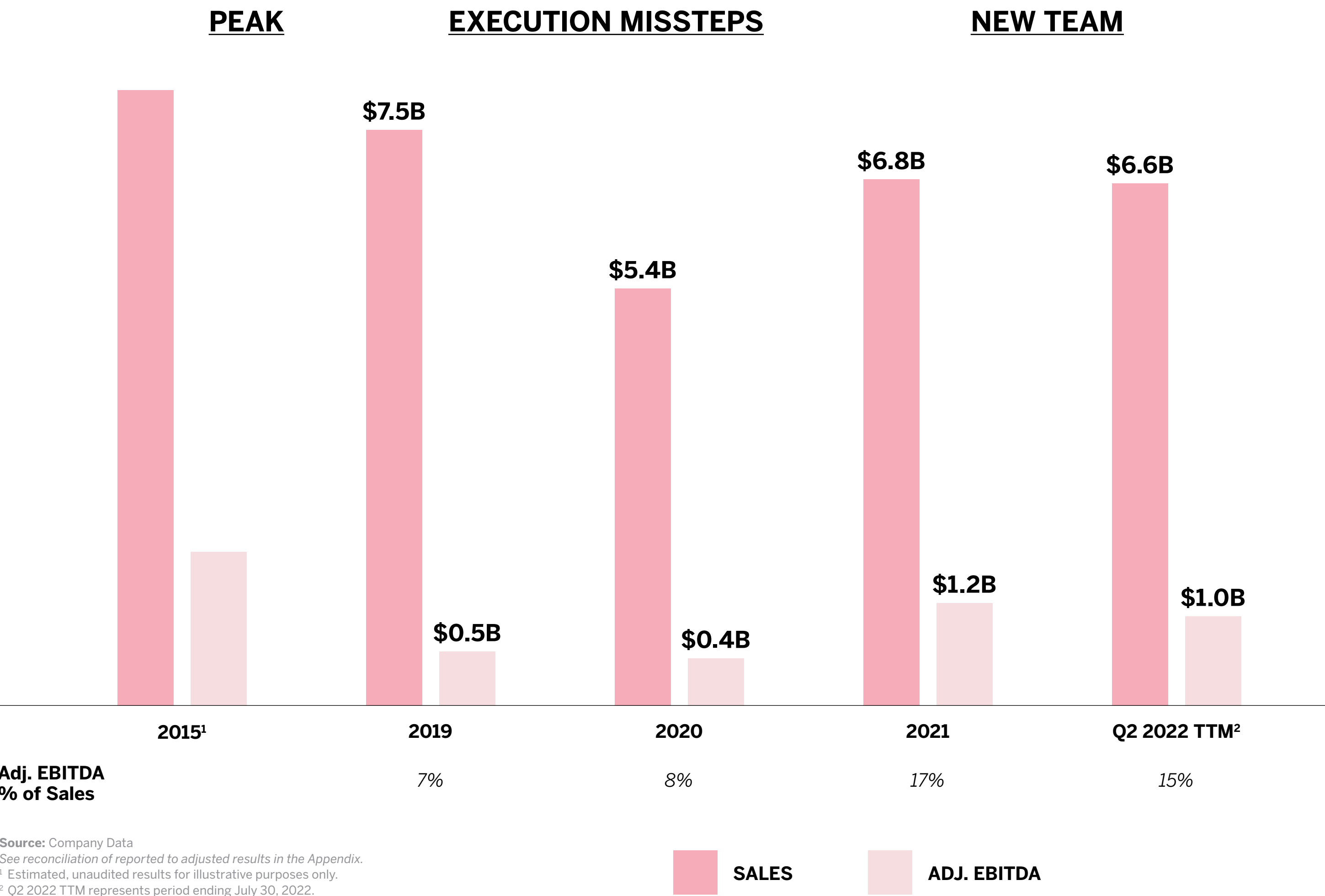


# Performance Journey





# Performance Journey





# Performance Journey

Future vision for over \$7B in sales with adjusted EBITDA approaching peak levels





# Our Business Today



Source: Company Data and NPD  
See reconciliation of reported to adjusted results in Appendix.

<sup>1</sup> Represents Q2 2022 TTM period ended July 30, 2022.

<sup>2</sup> Represents U.S. per NPD.

<sup>3</sup> Reflects fiscal year 2022 retail sales and not reported sales, as of August 24, 2022 guidance. Includes international digital sales that transact through North America (\$0.1B).

<sup>4</sup> "Active" defined as customers who have purchased from North America stores or digital in last twelve months.

<sup>5</sup> Visit to vs.com and VS/PINK apps.

<sup>6</sup> Includes VS and PINK.

<sup>7</sup> Includes all company-operated and partner-operated locations.



# Our Culture Today

87%

**of Associates** who responded to survey report feeling proud to work for the company

88%

**of Board** is women

59%

**of Leadership Roles** held by women

100%

**Pay Equity** for all genders, races, ethnicities and intersections of these identities

\$25M

**to Women Businesses** – we are committed to investing in women-owned and-run businesses

\$10M

**to Charities** to fund causes that matters to associates and customers

ESG

focus in support of **people, purpose and planet**



# Highly Talented Management Team with Deep Industry Expertise



**Martin Waters**  
Chief Executive Officer,  
Victoria's Secret & Co.



**Amy Hauk**  
Chief Executive Officer,  
VS & PINK Brands



**Christine Rupp**  
Chief Customer Officer



**Greg Unis**  
Chief Growth Officer



**Dein Boyle**  
Chief Operating Officer



**Timothy Johnson**  
Chief Financial &  
Administrative Officer



**Becky Behringer**  
Head of Store Selling  
& Operations



**Ishan Patel**  
Chief Digital Officer



**Arun Bhardwaj**  
Head of International



**Melinda McAfee**  
Chief Legal Officer,  
Interim CHRO



**Brian Leinbach**  
Chief Information Officer



# Experienced Board of Directors



**Donna James**

Managing Director, Lardon  
& Associates LLC,  
**Chair of the Board**



**Irene Chang Britt**

Former President, Pepperidge Farm,  
Former Senior Vice President, Global  
Baking & Snacking, Campbell Soup



**Sarah Davis**

Former President, Loblaw  
Companies Limited



**Jacqueline Hernández**

Former Chief Marketing Officer,  
Hispanic Enterprises and  
Content, NBC Universal



**Mariam Naficy**

Co-Chief Executive Officer, Minted



**Anne Sheehan**

Former Chair of the Securities  
and Exchange Commission's  
Investor Advisory Committee



**Lauren Peters**

Former Chief Financial Officer,  
Foot Locker, Inc.



**Martin Waters**

Chief Executive Officer,  
Victoria's Secret & Co.



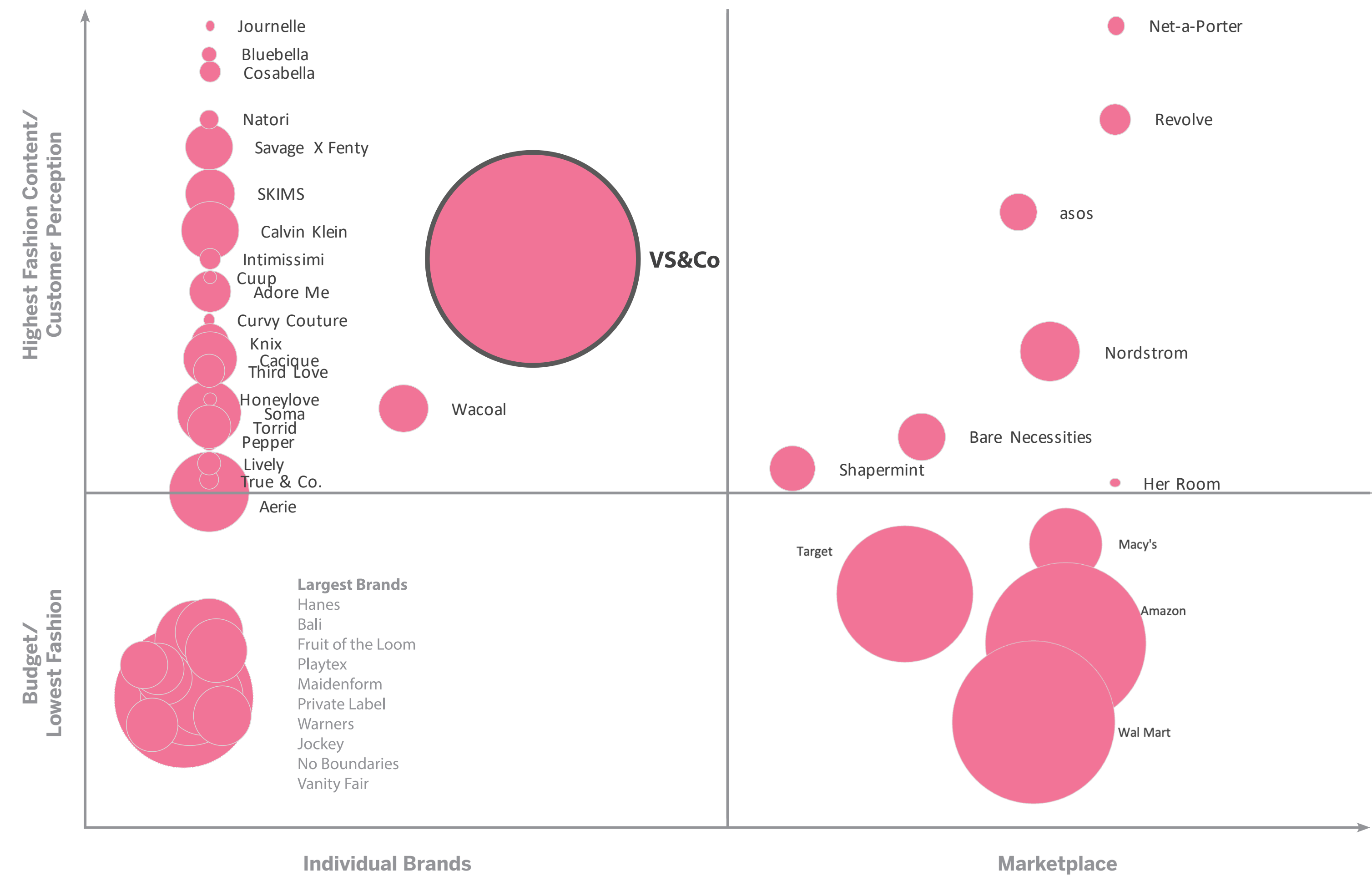
VS&Co has  
changed ...  
so has the  
market  
we serve





# Intimates Landscape 2022

The U.S. intimates market is projected to be \$16B in 2022

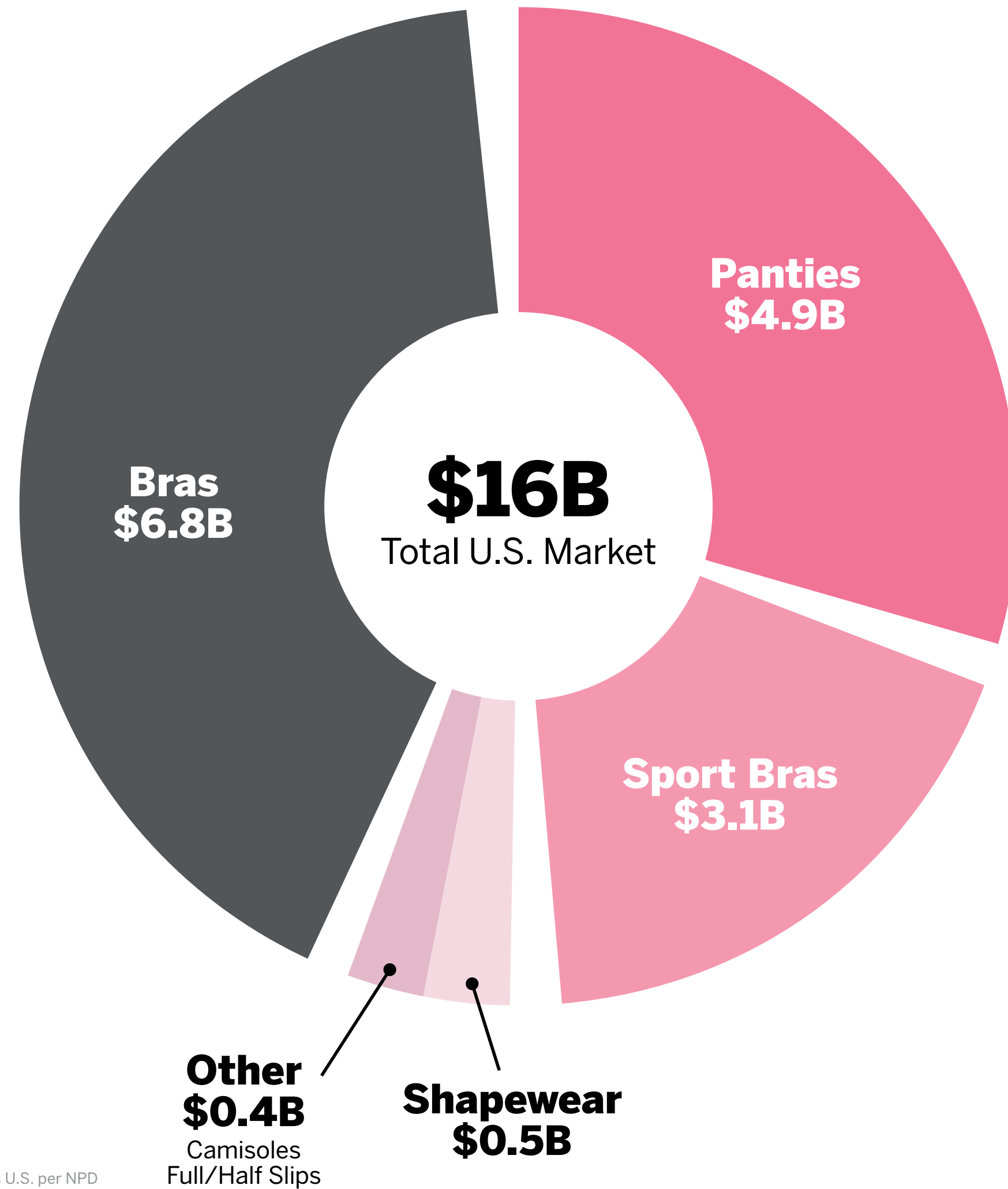


**Source:** Illustrative representation of US intimates market largely based on NPD market share and various financial articles and estimates.



# The Intimates Market

VS&Co leads the market with 21% intimates share



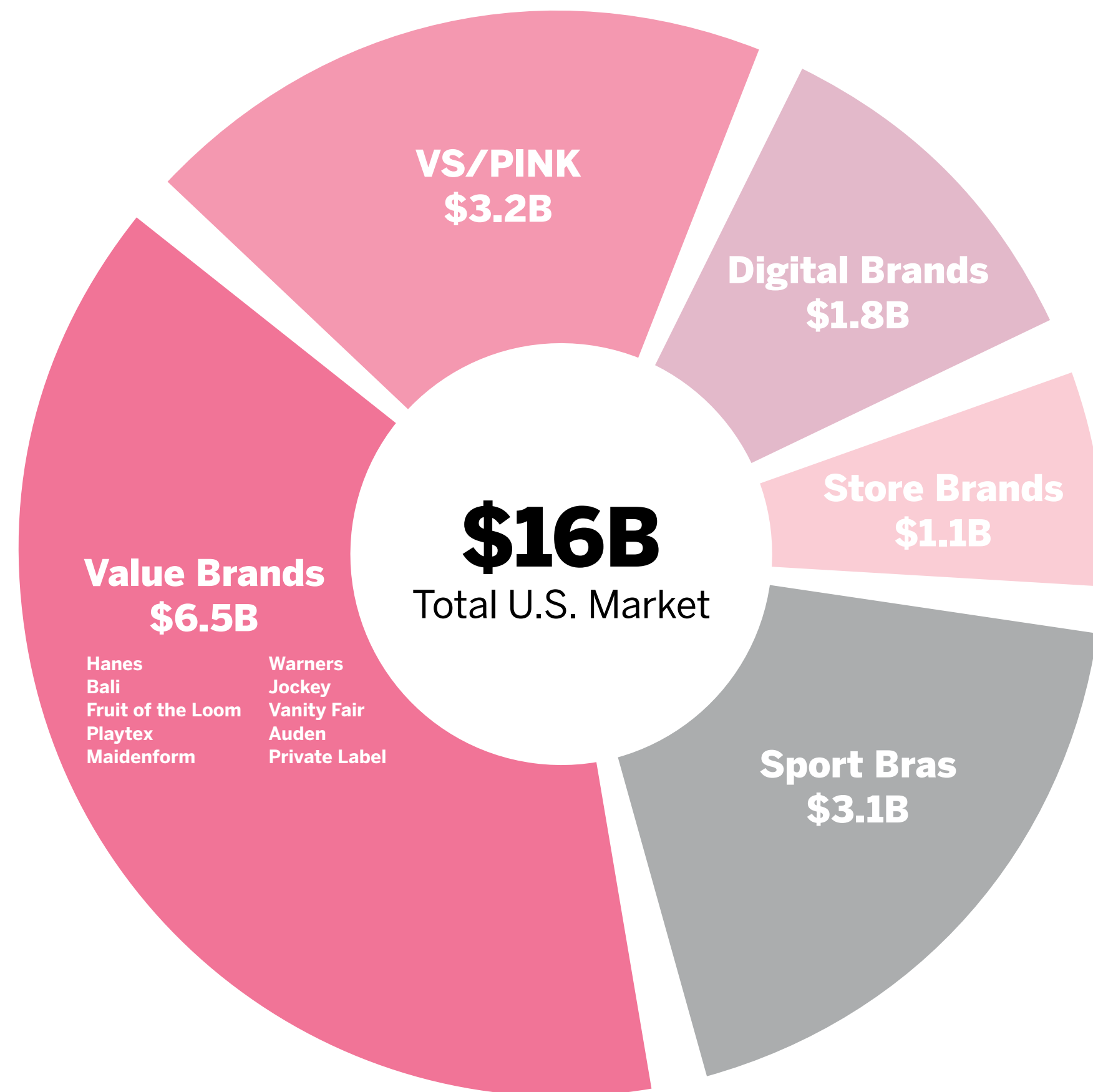
Source: Represents U.S. per NPD





# The Intimates Market

While the intimates market is highly fragmented, it can be broken up into five primary categories  
Sport bras is broken out separately as an under-penetrated category of interest



## Value Brands

- Biggest segment of the market
- Very competitive space

## Digital Brands

- Primarily digital-native
- Numerous small brands
- ~10% aggregated market share

## Sport Bras

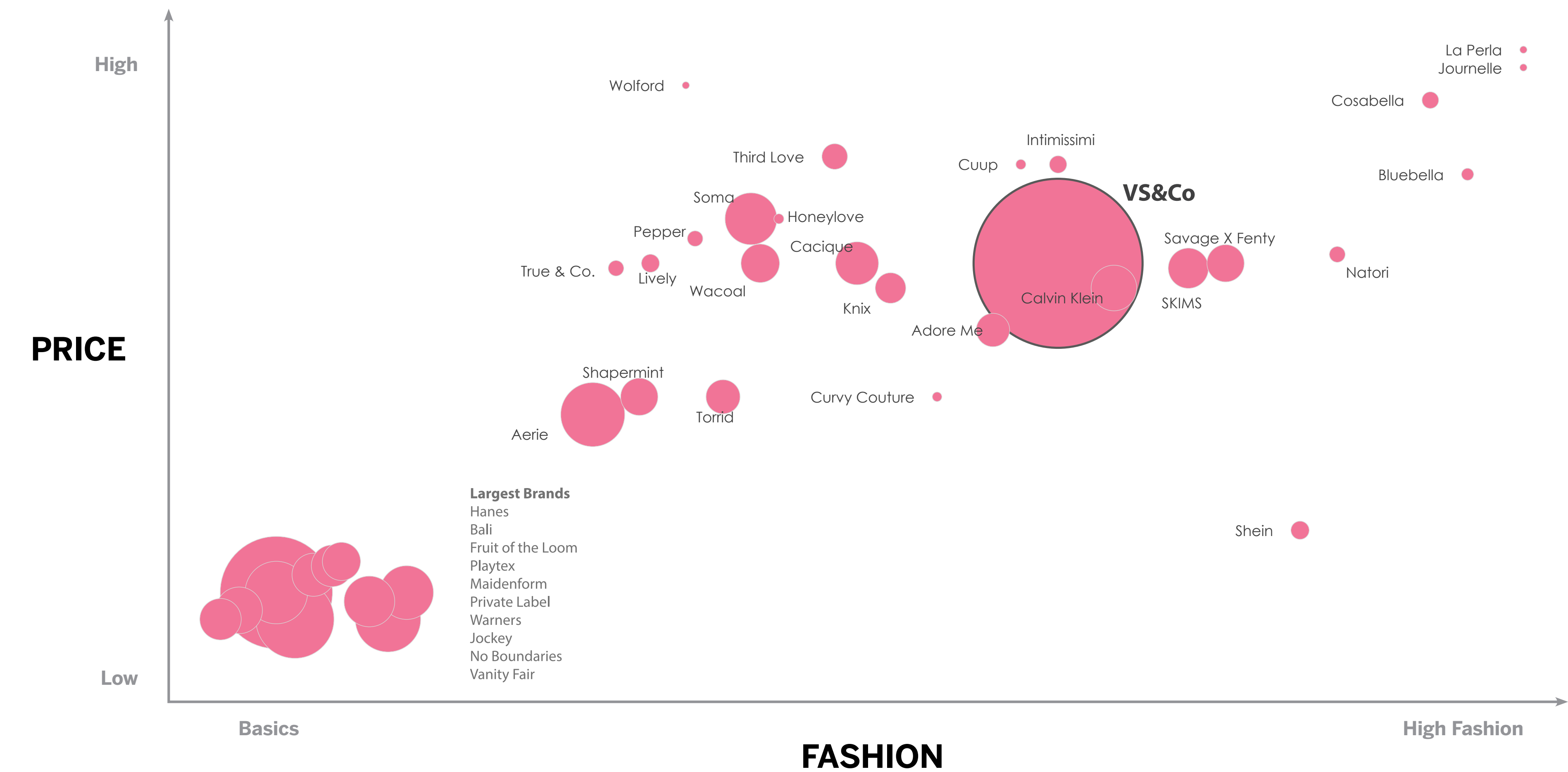
- Largest players are dedicated sport/performance brands
- ~20% of total intimates market

Source: Represents U.S. per NPD



# Intimates Landscape – By Brands

Brand landscape beyond VS is highly fragmented with several smaller brands spanning across a spectrum of fashion offerings and price points



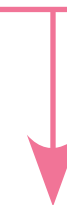
Source: Illustrative representation of US intimates market largely based on NPD market share and various financial articles and estimates.



# Our Goal is to be the World's Leading Fashion Retailer of Intimate Apparel

## We will do this by:

- Evolving the positioning of Victoria's Secret and PINK to **drive profitable growth from the core**, across our Store and Digital platforms
- Adding new brands to our portfolio (& Co.) through **strategic investments** to enhance our customer and category reach and access new capabilities
- **Building a market collection** with curated brands to complement and enhance the VS & PINK assortments
- **Accelerating International growth** by going where the customer is and marketing like a local, in both Stores and Digital
- **Establishing strategic partnerships** to support world class execution, outsourcing where appropriate
- Creating and sustaining a modern, high performance, agile, empowered, enabled organization with an **award-winning culture**



**Strengthen  
the Core**

**Ignite  
Growth**

**Transform the  
Foundation**



# Our Goal is to be the World's Leading Fashion Retailer of Intimate Apparel

Executed through VS&Co's guiding principles

Brands	Customer	Categories	Channels	Geographies	Values	Targets
<b>Core:</b> VS & PINK  <b>Investment:</b> Frankies Bikinis, For Love & Lemons  <b>Market Collection:</b> VS&CoLab Third Party Brands	<b>Primarily Women</b>  <b>Age: Irrelevant ...</b> <b>It's a State of Mind</b>	<b>Intimates</b> <b>(~55%)</b>  <b>Beauty</b>  <b>Sleep</b>  <b>Swim</b>  <b>Sport &amp; Lounge</b>	<b>Primarily DTC</b> <b>through Stores</b> <b>&amp; Digital</b>  <b>Selective</b> <b>Marketplaces</b>  <b>Not Traditional</b> <b>Wholesale</b>	<b>Global Reach</b>  <b>Owned in</b> <b>North America</b>  <b>Partners</b>	<b>Love the</b> <b>Customer</b>  <b>Passion with</b> <b>Purpose</b>  <b>Better Together</b>  <b>DEI is Everything</b>	<b>Growth</b> <b>Company</b>  <b>Mid-teens</b> <b>Operating Margin</b>  <b>Top Quartile TSR</b>  <b>Efficient Cost</b> <b>Base Operator</b>



# Our Strategic Priorities

Strengthen the Core	Ignite Growth	Transform the Foundation
Brand Revolution	International Growth	Talent & Culture
Best at Bras	Market Collection	Efficient Operating Model
Customer Experience		Product to Market Transformation
		ESG



# Strong Supply Chain Enables Growth & Operating Flexibility





# Managed Through COVID with Low Levels of Service Interruption to Our Customers

## Fall 2021 ... rising costs drive ~\$160M impact to P&L

- Company flexed air capabilities to minimize impact to customers

## Spring 2022 ... cost challenges continue with ~\$140M impact

- Transportation rates hit peak levels (2-3 times pre-COVID)
- Supply chain flow begins to improve, company starts to decrease reliance on air

## Fall 2022 ... costs moderating with further reductions planned in upcoming years

- Transportation rates 50% off peak in Fall 2022
- Returning to historical chase capabilities

### *Two Key Takeaways*

1

Supply chain challenges begin to moderate in Q4 2022

2

Business returns to historical chase capabilities

Source: Company Data



# Significant Opportunity to Modernize & Digitize Our End-to-End Supply Chain

- **Digital Design**
- **Artificial Intelligence**
- **Automation**
- **Improved Delivery Speed**
- **Enhanced Visibility of Provenance**



We're midway through the turnaround of our business with a clear roadmap to become the world's leading fashion retailer of intimate apparel.

**Strengthen  
the Core**

**Ignite  
Growth**

**Transform the  
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# Timothy Johnson

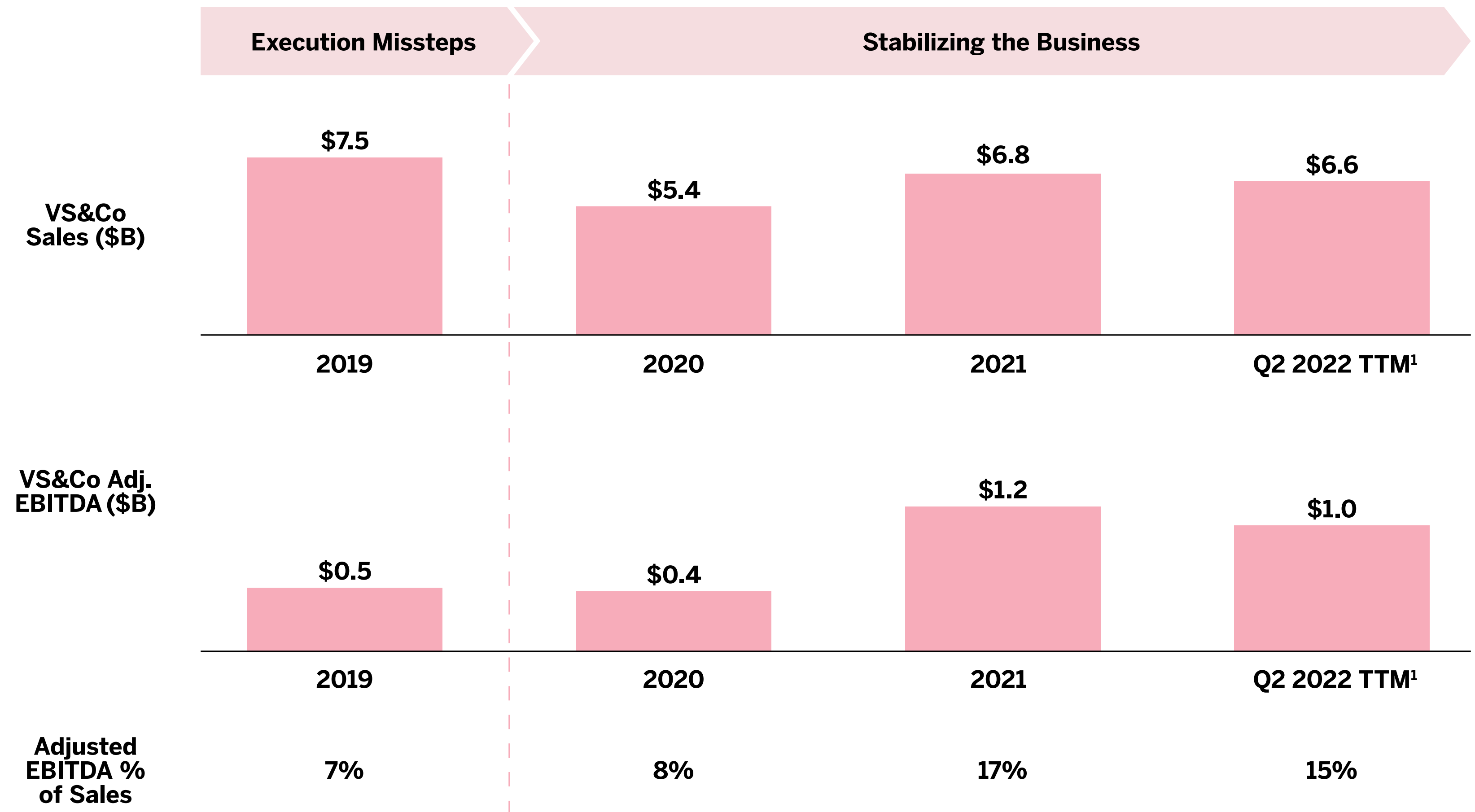
Chief Financial & Administrative Officer  
Victoria's Secret & Co.



# Business Stabilizing Despite Challenging Macroeconomic Trends

Q2 2022 TTM adjusted EBITDA up ~\$500M from 2019

- Remain focused on profitable sales and stable merchandise margin rates.
- Merchandise margin pressure over past year driven by supply chain and challenging macro environment. Rate is well above 2019 lows.
- Expenses remain tightly managed driven by cost savings initiatives. Rate is well below 2019.



Source: Company Data  
See reconciliation of reported to adjusted results in the Appendix.  
<sup>1</sup> Represents Q2 2022 TTM period ended July 30, 2022.



# Long-Term Commitment to Mid-Teens Operating Margin Rate & Shareholder Returns



**Total Sales  
Growth**

## **Mid Single Digits**

Strengthen core of North America  
Stores and Digital (~1/3 growth)

Ignite growth through Int'l and new  
business development (~2/3 growth)

**Merch  
Margin**

## **Mid Single Digits**

Increase in line with sales

Expected supply chain recovery

**Total  
Expenses**

## **Grow Slower Than Sales**

Initiatives identified to modernize  
company

Leverage on flat to slightly  
positive sales

**Operating  
Income**

## **Mid Teens as a % Sales**

Drive annual free cash  
flow of \$500M+

Re-invest in growth

Return value to shareholders



# Our Strategic Priorities

**Strengthen  
the Core**

**Ignite  
Growth**

**Transform the  
Foundation**





# Transforming the Foundation by Modernizing the Operating Model



**Sourcing & Product  
Cost Initiatives**



**Efficient Operating  
Model**

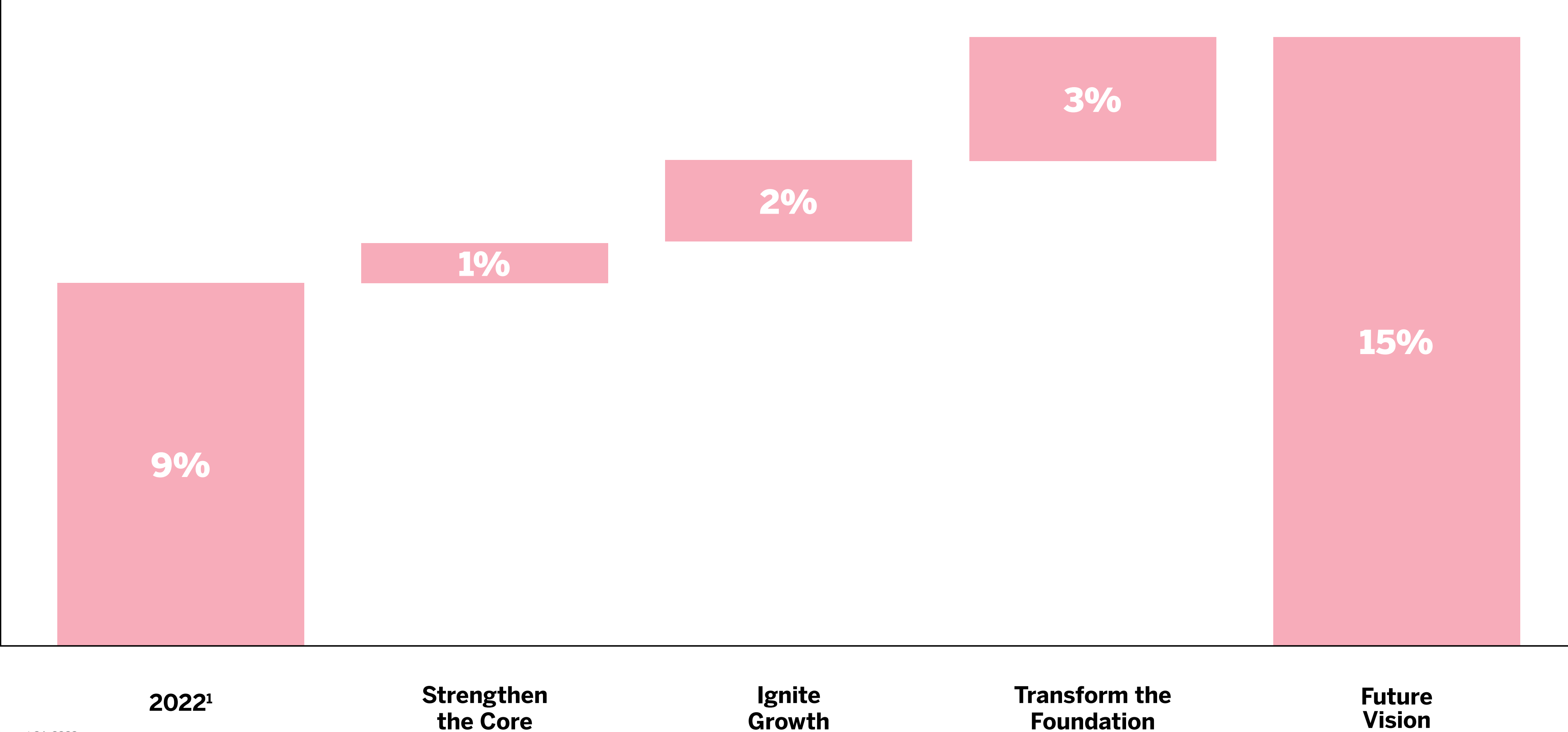


**Non-Merch Cost  
Savings Initiative**

**PATHWAY TO \$250M+ OPPORTUNITY**



# Pathway to 15% Operating Margin Driven by Strategic Pillars



<sup>1</sup> Reflects full year guidance as of August 24, 2022.  
See reconciliation of reported to adjusted results in Appendix.



# Financial Strategy & Capital Allocation Framework

## Liquidity, Leverage & Balance Sheet Strength

- Strong & flexible balance sheet with low leverage
- Strong free cash flow generation
- Working capital management to support cash generation

## Growth Investments

- Capital focused on high returning core business activity first
  - CapEx approaching 4% of sales
- External acquisitions or minority investment opportunities that help drive broader growth

## Capital Allocation & Distribution Policy

- Share repurchase focus on cash in excess of business investment
- Dividend consideration once we reach top quartile valuation





# Long-Term Commitment to Mid-Teens Operating Margin Rate & Shareholder Returns

- Solid financial position to modernize company and support future growth
- Sales growth drivers identified and pathway to achieve in motion
- Focused on delivering mid-teens operating margin
- Strong free cash flow and liquidity to support investments in growth





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# Amy Hauk

Chief Executive Officer,  
Victoria's Secret & PINK



# Our Strategic Priorities

**Strengthen  
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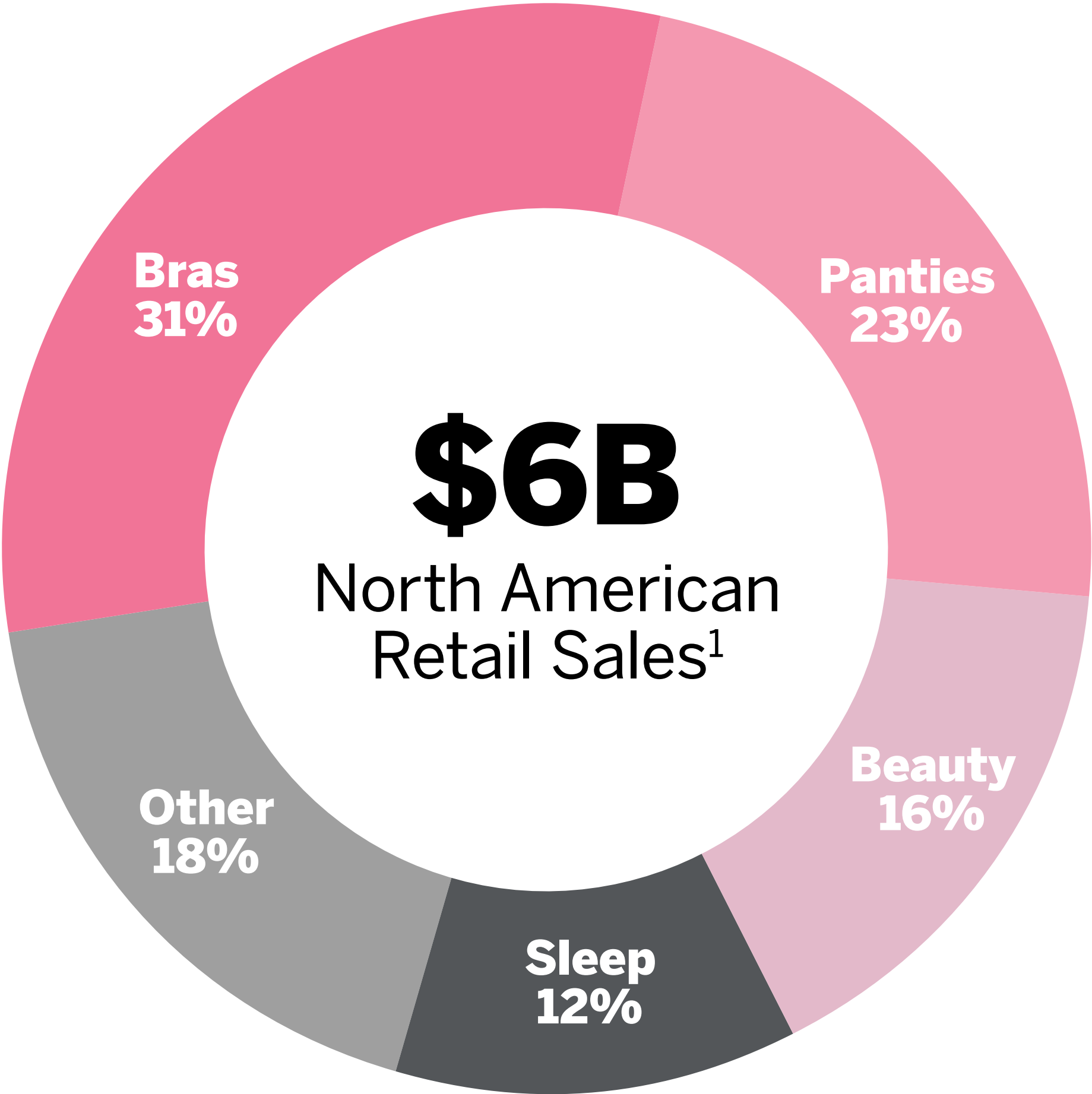
# The Power of the Brand

## PERFORMANCE PRODUCT PIPELINE POSITIONING





# Two Market Leading Brands with Distinct Positioning



~\$4B

Victoria's Secret  
Brand Sales<sup>1</sup>

~\$2B

PINK  
Brand Sales<sup>1</sup>

#1

U.S. Intimates  
Brand<sup>2</sup>

21%

U.S. Intimates  
Market Share<sup>2</sup>

~70%

North American sales  
from Stores channel<sup>1</sup>

~30%

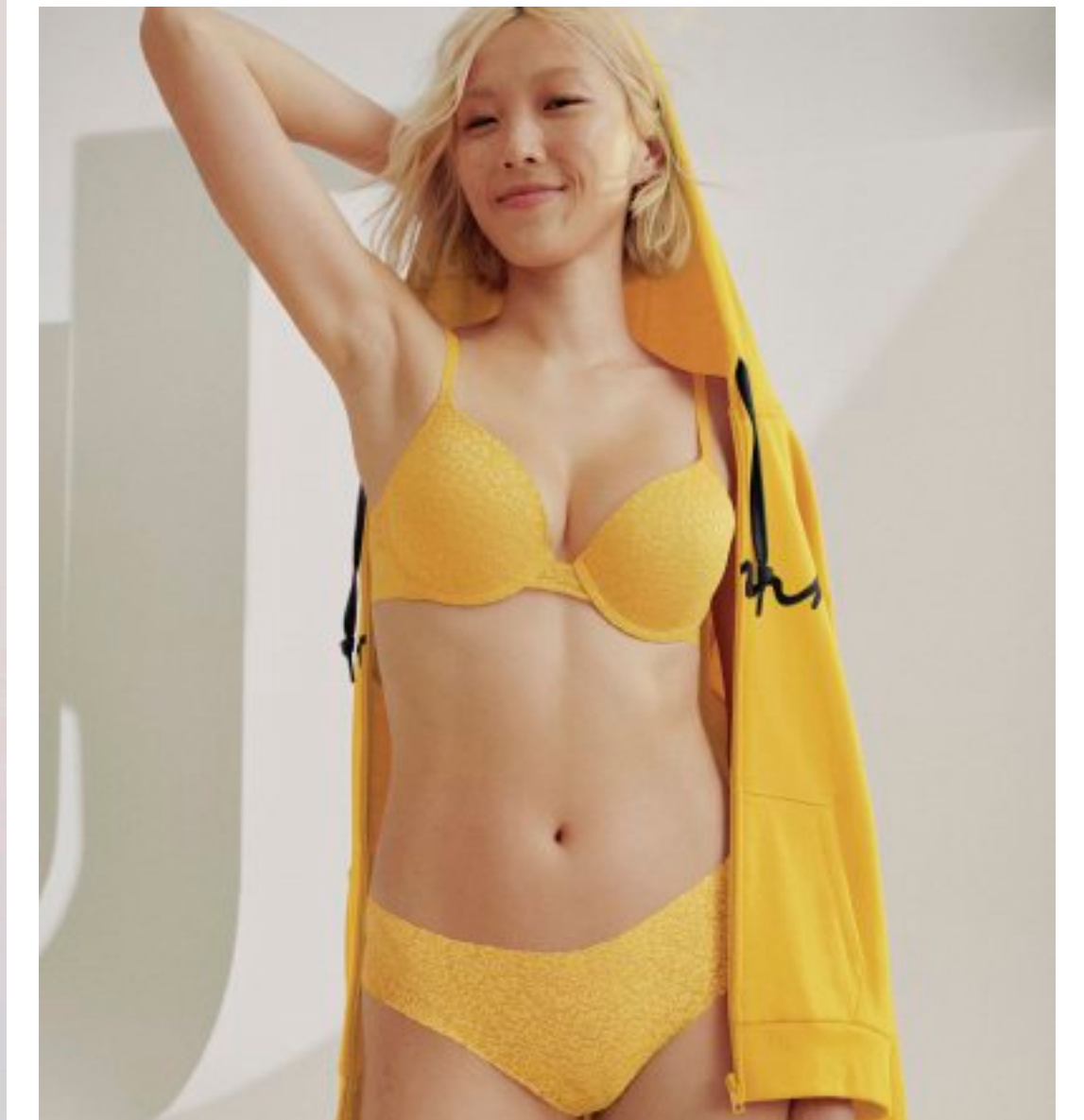
North American sales  
from Digital channel<sup>1</sup>

<sup>1</sup> North America stores and digital retail sales as of Q2 2022 TTM period ending July 30, 2022.  
<sup>2</sup> Represents U.S., per NPD.



# Benefits of Combined VS & PINK Organization Structure

- Optimized assortment and categories across brands with holistic view of white space opportunity
- Clear and aligned focus on leading the intimates category
- Shared best practices and talent





# How We Win

**Lead with a customer-first approach**

**Deliver best-in-class product & productivity**

**Maintain an innovative product pipeline**

**Continue to transform the brand in-line  
with our values**





# Strengthen the Core

1

**Grow Intimates**  
Market Share

2

**Elevate Beauty** as an  
Extension of Intimates

3

Leverage Strategic Opportunities  
in **Adjacent Categories**





# Lead the Market in Bras & Panties with Opportunity for Growth

~55% of North American annual sales volume<sup>1</sup>

**#1** market share for both Bras & Panties at  
**18%** and **29%** respectively<sup>2</sup>

---

**24%** market share in bras when excluding  
Sport (**2.2x** the **#2** competitor)<sup>2</sup>



Source: Company Data and NPD

<sup>1</sup> North America stores and digital retail sales as of Q2 2022 TTM period ending July 30, 2022.

<sup>2</sup> Represents U.S. per NPD.



# Increase Intimates as a Percent of Total & Grow Market Share by Standing for Inclusivity & Innovation

Anchor intimates in inclusivity;  
expand offerings within frames,  
size, color and lifestyle

Create more robust  
innovation pipeline

Optimize good/better/best  
across the box





# Recent Bra Launches



## **Bare Collection Infinity Flex**

Molds to the body as size fluctuates,  
creating a unique and perfect fit



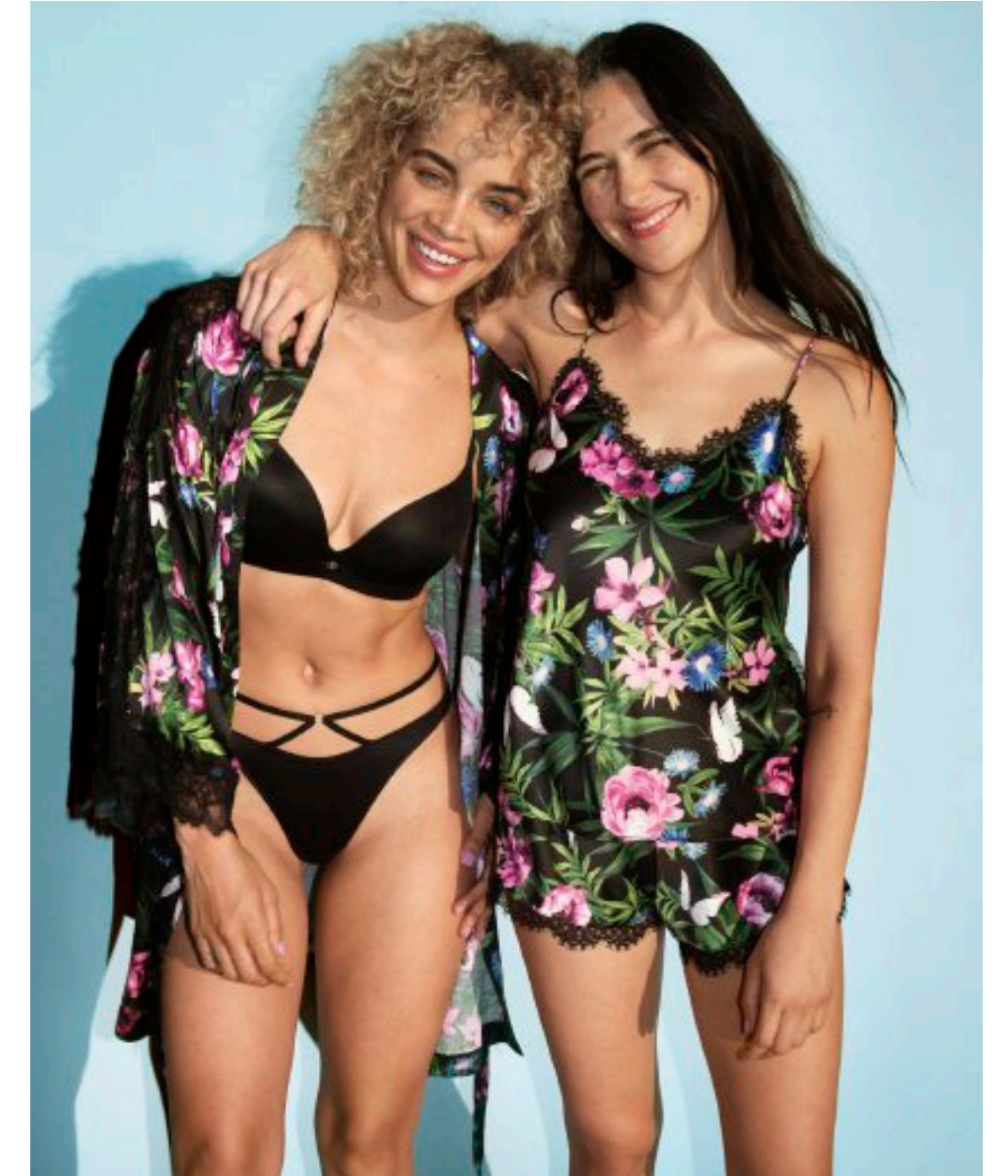
## **Love Cloud Collection**

All-day comfort with the benefits  
of a constructed bra



## **Wear Everywhere Collection**

Includes recycled materials  
in all core frames



## **Very Sexy Collection So Obsessed Wireless**

Wire-free comfort in a push-up bra



# Strengthen the Core

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in **Adjacent Categories**





# Established Market Leader in High-Spend Fragrance Category with Growth Potential

16% of North American annual sales volume<sup>1</sup>

**#1** fragrance in America is Bombshell<sup>2</sup>

---

**6%** market share for U.S. women's fragrance<sup>3</sup>

---

**39%** of VS&Co customers shop beauty, spending **~1.4x** more annually than the average customer<sup>1, 4</sup>

Source: Company Data and NPD

<sup>1</sup> North America stores and digital retail sales as of Q2 2022 TTM period ending July 30, 2022.

<sup>2</sup> Euromonitor

<sup>3</sup> Represents U.S. per NPD.

<sup>4</sup> Represents customers who have purchased from North America stores or digital in last twelve months.





# Fuel Beauty Growth by Connecting to the Emotional Needs of the Customer

- Leverage scent expertise to grow extensions and adjacencies
- Maintain robust test and learn pipeline to maximize beauty sales performance
- Increase sustainability within product and packaging and renew focus on clean beauty standards





# Strengthen the Core

1

**Grow Intimates**  
Market Share

2

**Elevate Beauty** as an  
Extension of Intimates

3

Leverage Strategic Opportunities  
in **Adjacent Categories**





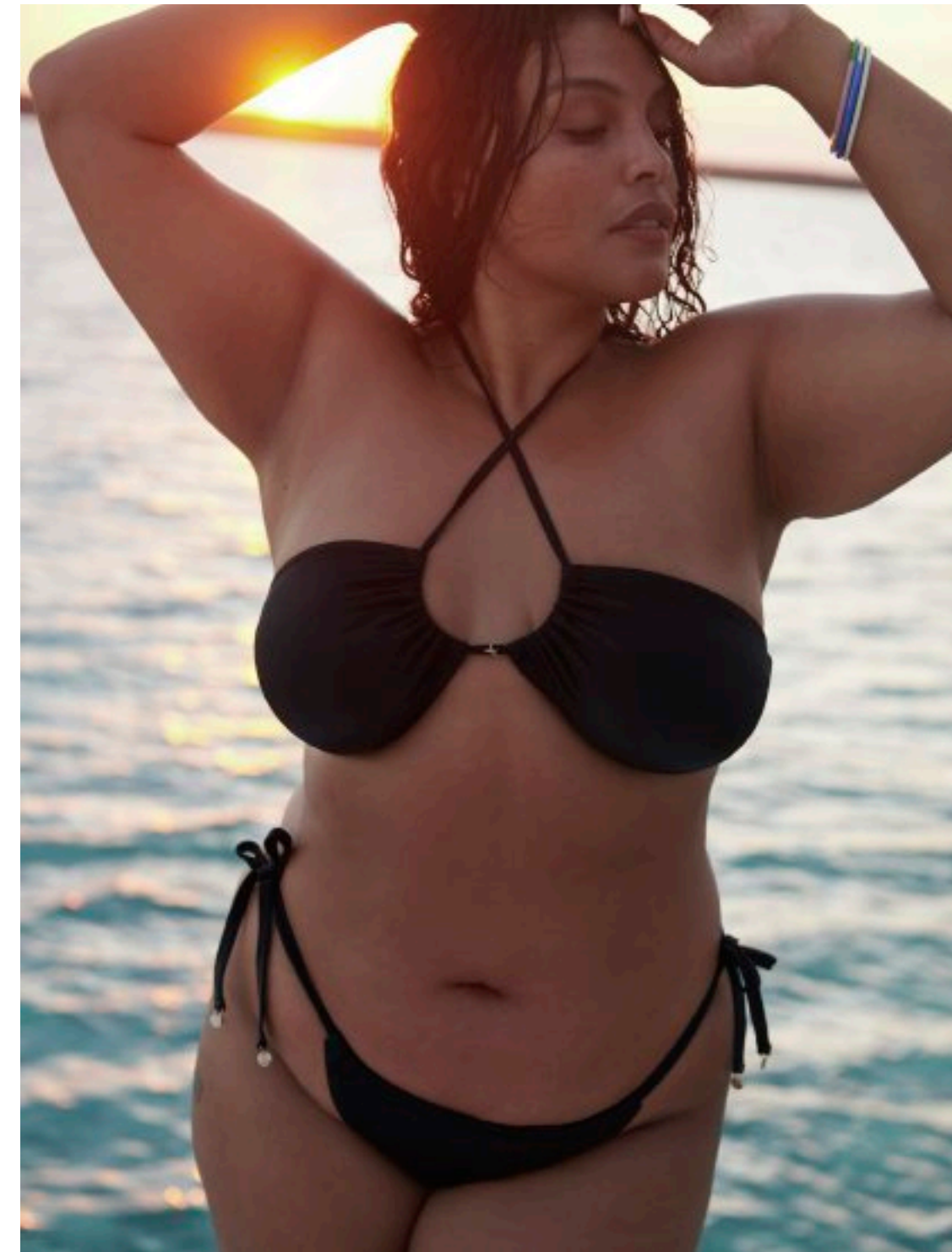
# Reclaim & Recapture Adjacent Category Strength to Fuel Intimates Growth



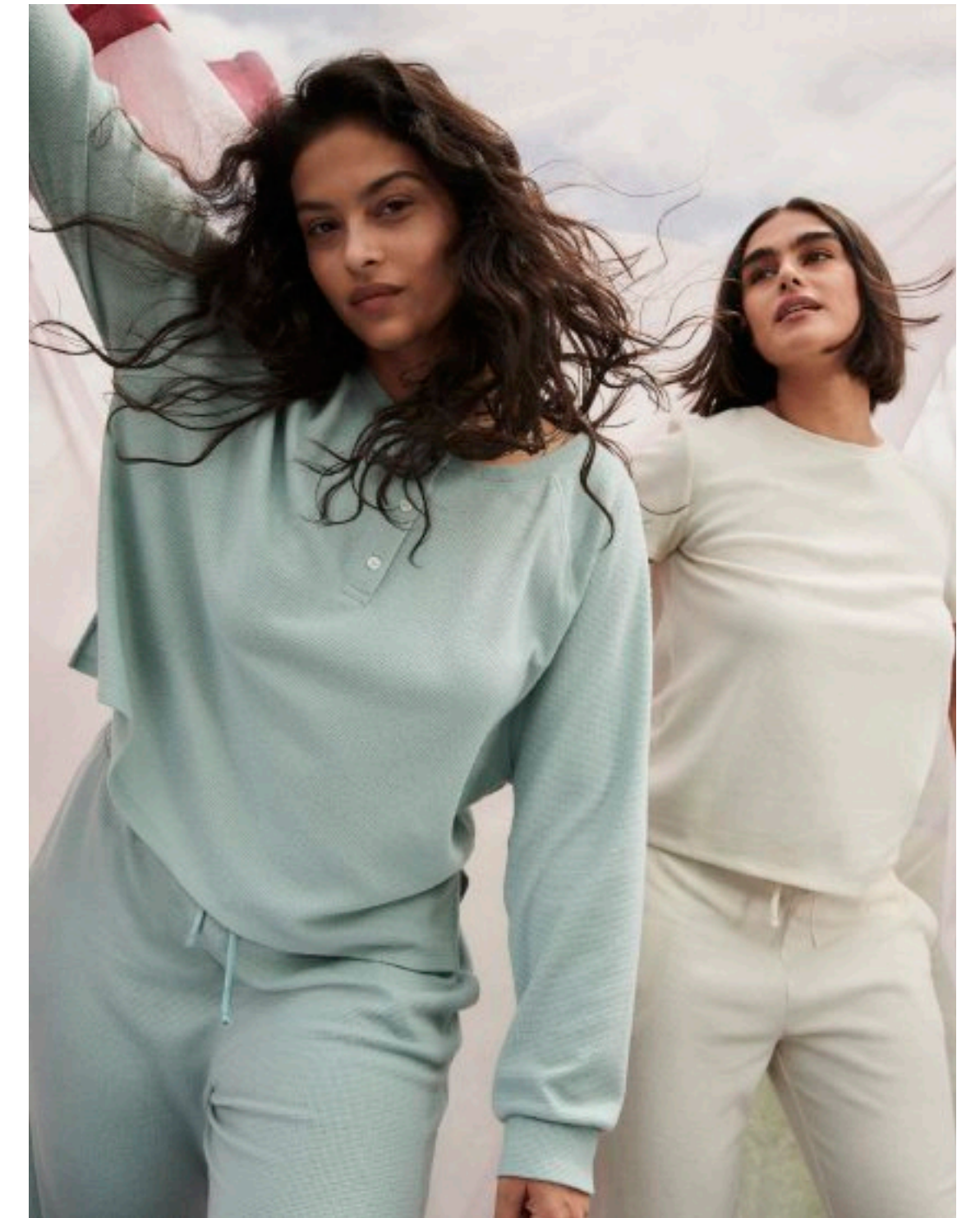
**Expand Sleep**



**Rebuild Sport**



**Reclaim Swim**



**Right-Size Apparel**



# Consciously Designing Positive Change

Doing what is right in our industry, for our communities and for the world

## **Reducing our impact on the environment and creating a more sustainable world.**

- Sustainable Products
- Packaging Materials
- Greenhouse Gas Emissions

## **Ensuring inclusivity as the foundation and face of intimates.**

- Size and Shape
- Race and Ethnicities
- Adaptive





# The Why

## VISION

To be the world's leading advocate for women.

## MISSION

Creating meaningful relationships, intimately.

# The How

## PEOPLE

Promote diversity, equity and inclusion.

## PURPOSE

Invest in the well-being of women and amplify their voices.

## PLANET

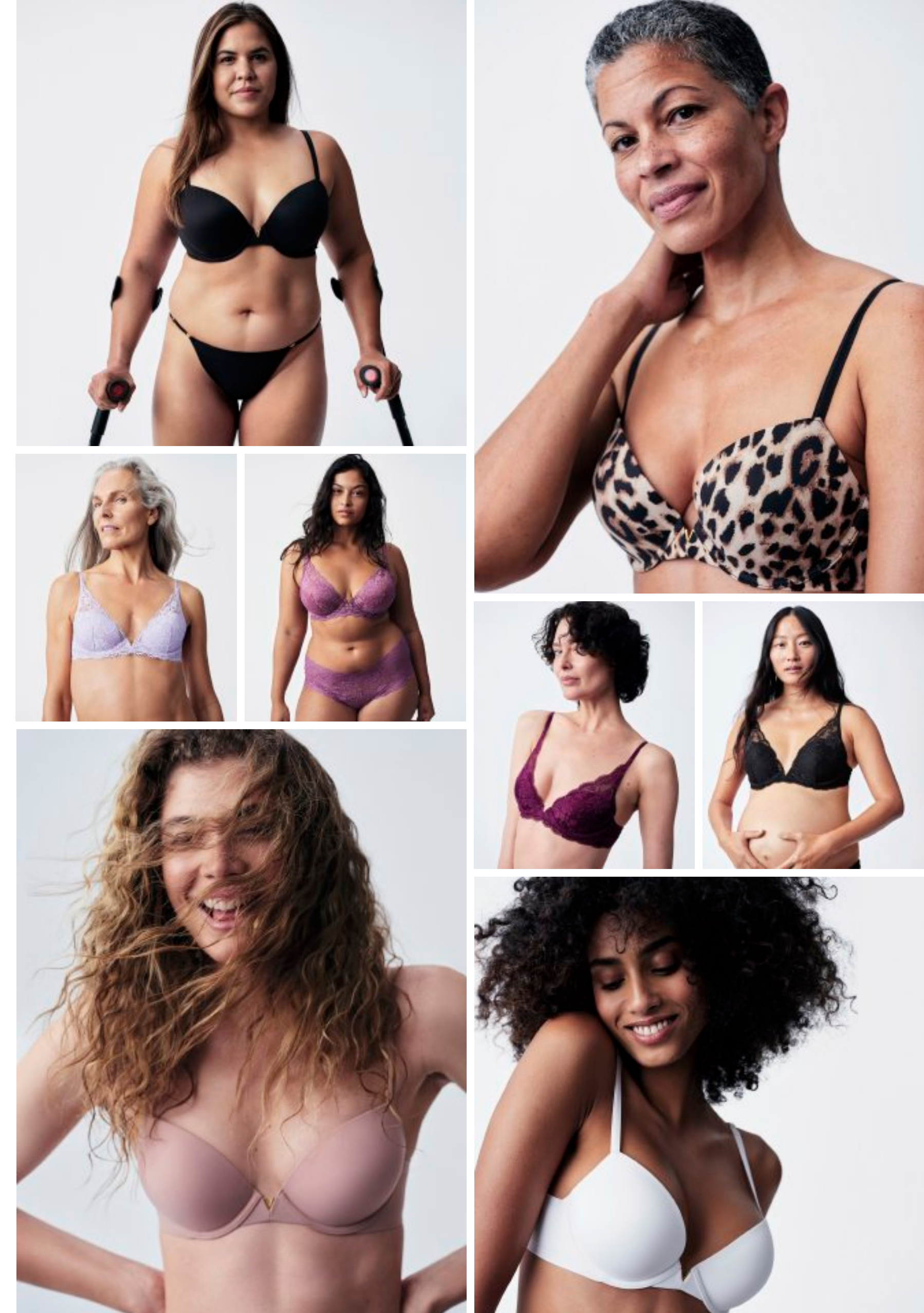
Make products our customers can feel good about wearing.

# The What

## PRODUCT

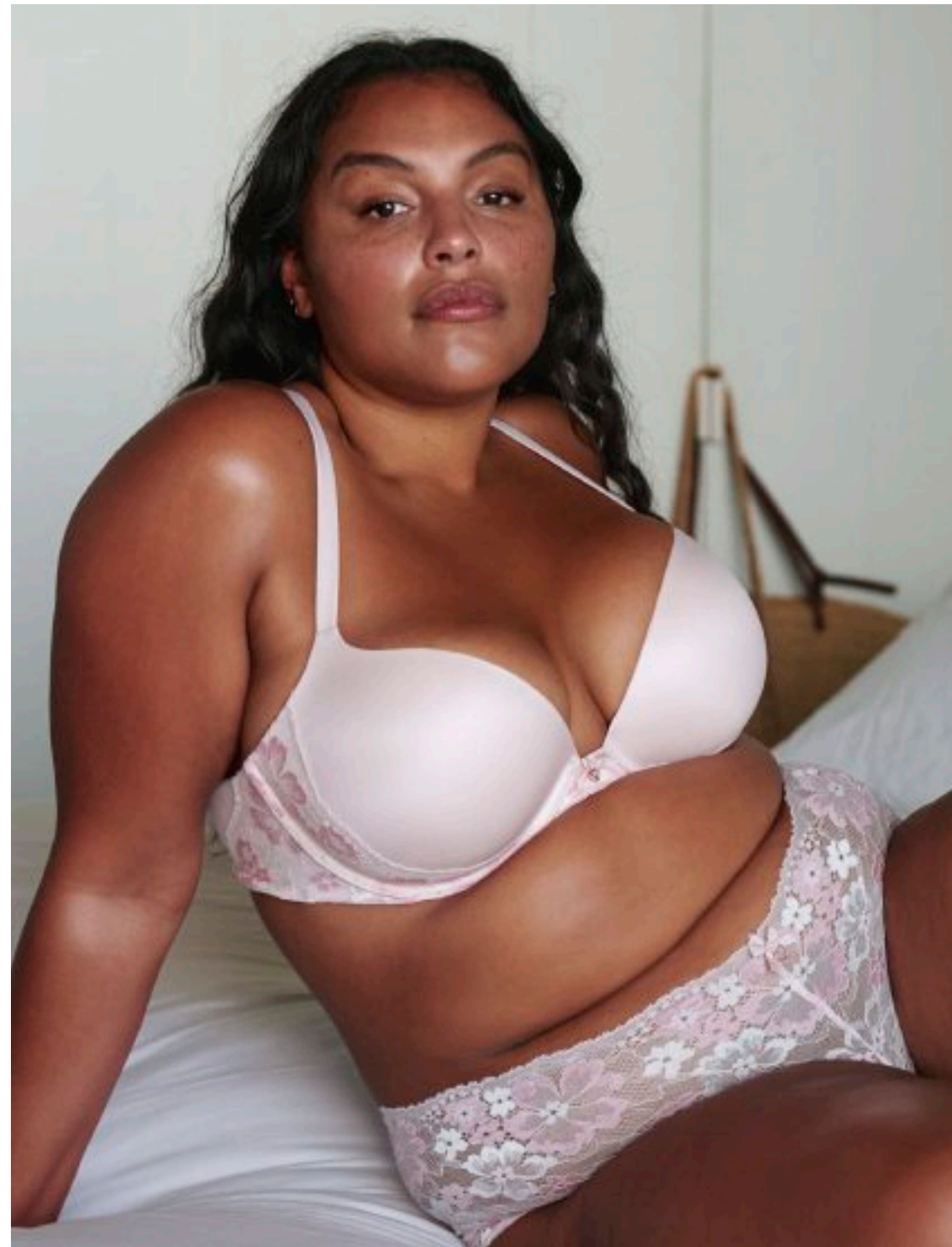
Create an emotional assortment focused on Best at Intimates.

## VICTORIA'S SECRET





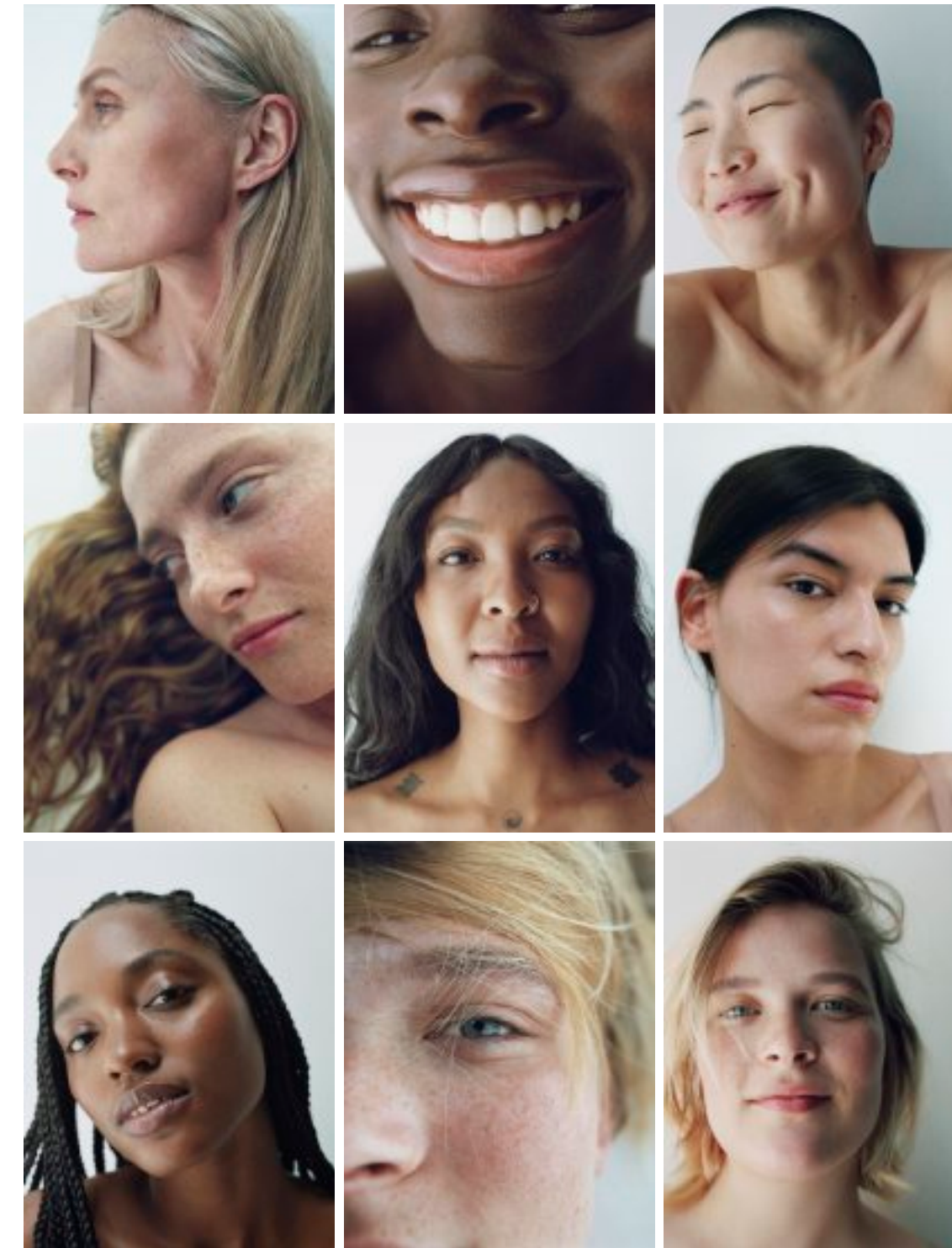
# Accelerating Awareness of Our Brand Transformation



**Redefining "Sexy"**



**Further Leveraging  
the Collective**



**Standing for Inclusivity as the  
Foundation & Face of the Brand**



**Introducing Next for  
Victoria's Secret**



pink

## THE WHY

### VISION

Empower & support all young adults in everything they do.

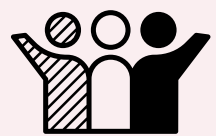
### MISSION

Outfit the world in optimism.

## THE HOW

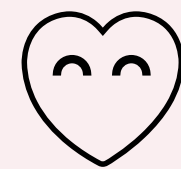
### BRAND POSITIONING PILLARS

Show up for our community and champion their values.



### PEOPLE

Promoting diversity, equity & inclusion.



### PURPOSE

Fostering positive mental health in young adults.



### PLANET

Making products our customers can feel good about wearing.

## THE WHAT

### PRODUCT

Create an emotional assortment focused on Best at Intimates.





# VICTORIA'S SECRET





# The Power of the Brand

## PERFORMANCE PRODUCT PIPELINE POSITIONING





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# Christine Rupp

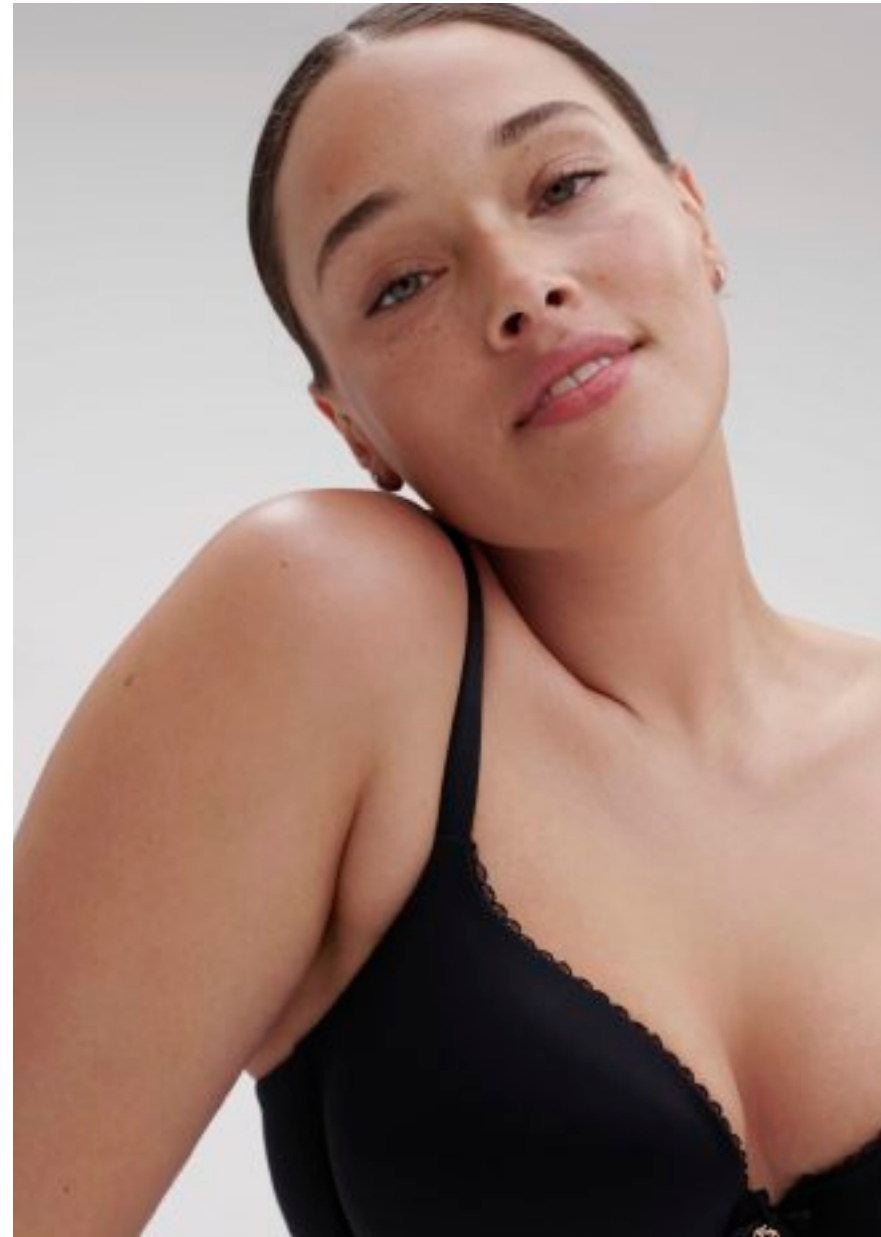
Chief Customer Officer,  
Victoria's Secret & Co.



VS&Co is committed to putting the customer at the center of all we do & to providing every customer with the world's best intimates shopping experience.



# Today's Intimates Consumer



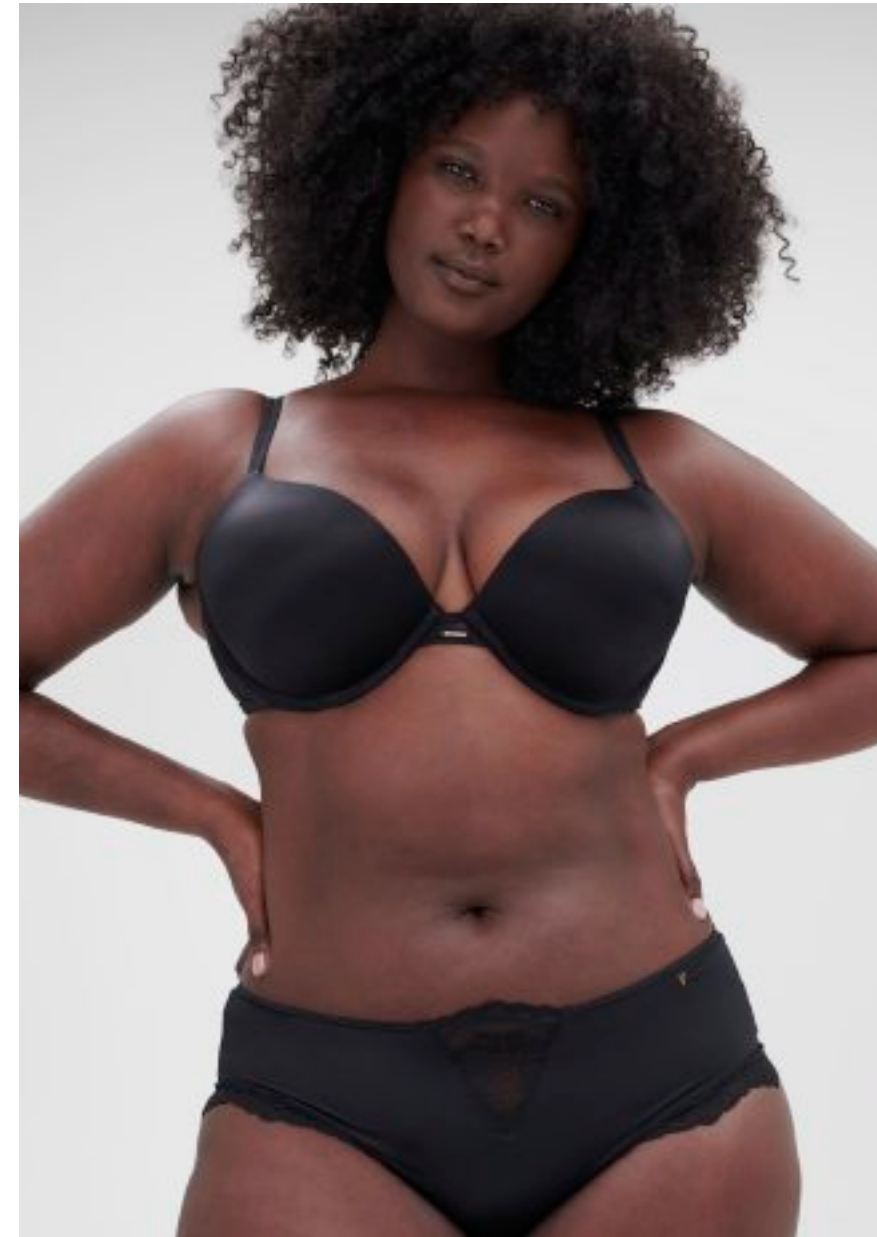
## Predominately Women<sup>1</sup>

92% Women  
8% Men



## Omni Shopper<sup>1</sup>

~65% of spend in stores  
~35% of spend online



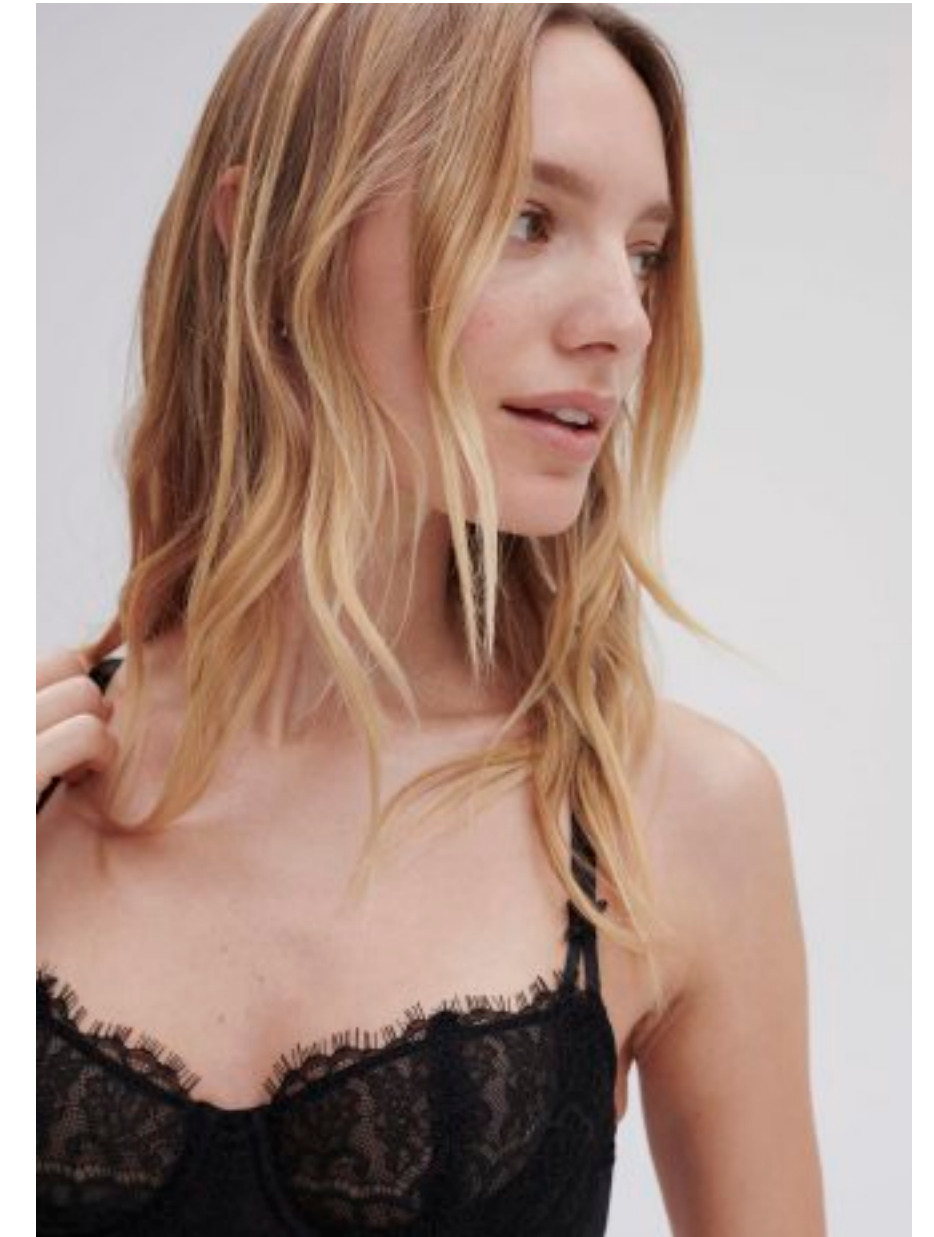
## Invests in Intimates

Spends average of \$150 annually on intimates<sup>2</sup>. Millennials<sup>3</sup> spend the most in this category.



## Spans Every Demographic

She represents every age, body type, race, ethnic identity, geography and socioeconomic status.



## Has More Options but is Shopping Fewer Brands<sup>2</sup>

60% purchased from only 1 or 2 brands in 2021 compared to about 25% in 2018.

<sup>1</sup> NPD Intimates (Bras/Panties) 12 months ending July 2022.

<sup>2</sup> Brand study conducted by third party.

<sup>3</sup> NPD Checkout Share of Wallet Fiscal Year 2021.



# Our Victoria's Secret & Co. Customer is Engaged & Loyal

**27M**  
Customers  
85% Women, 15% Men<sup>1</sup>

**~45%**  
Shop Multiple Lines of Business<sup>1</sup>

**~37%**  
of Sales from  
Dual Channel Shoppers<sup>1, 3</sup>

**2–3**  
Trips/Year  
Avg. Customer<sup>1</sup>

**8**  
Trips/Year,  
Top Decile Customer<sup>1</sup>

**200K**  
Active Daily  
App Users<sup>1</sup>

**25%**  
of Digital Sales  
Through Apps<sup>3</sup>

**60%**  
of Top Decile Customers are  
Victoria's Secret Cardholders<sup>1</sup>

**~80M**  
Followers on Instagram<sup>2</sup>

**~435K**  
Followers on TikTok<sup>2</sup>

<sup>1</sup> VS Customer File as of Q2 2022.

<sup>2</sup> Includes Victoria's Secret & PINK Q2 2022 TTM period ended July 30, 2022.

<sup>3</sup> Identified customer sales.



# What Does Today's Consumer Need?



Why isn't my bra comfortable?

***What size should I wear?***

Where can I find shapewear?

Can you help me find the right product for my special occasion?

**Which bra is best for me?**

Can you help me find something that matches?

**SHE NEEDS SUPPORT**

*Where can I find your products?*

Do you have colors that match my skin?

***What is sexy?***

Can I get it today?

Can you get the product to me in time for my event?

*Why can't I find my size?*



# Consumers Have High Expectations for the Store & Online Shopping Experience & Expect Consistency

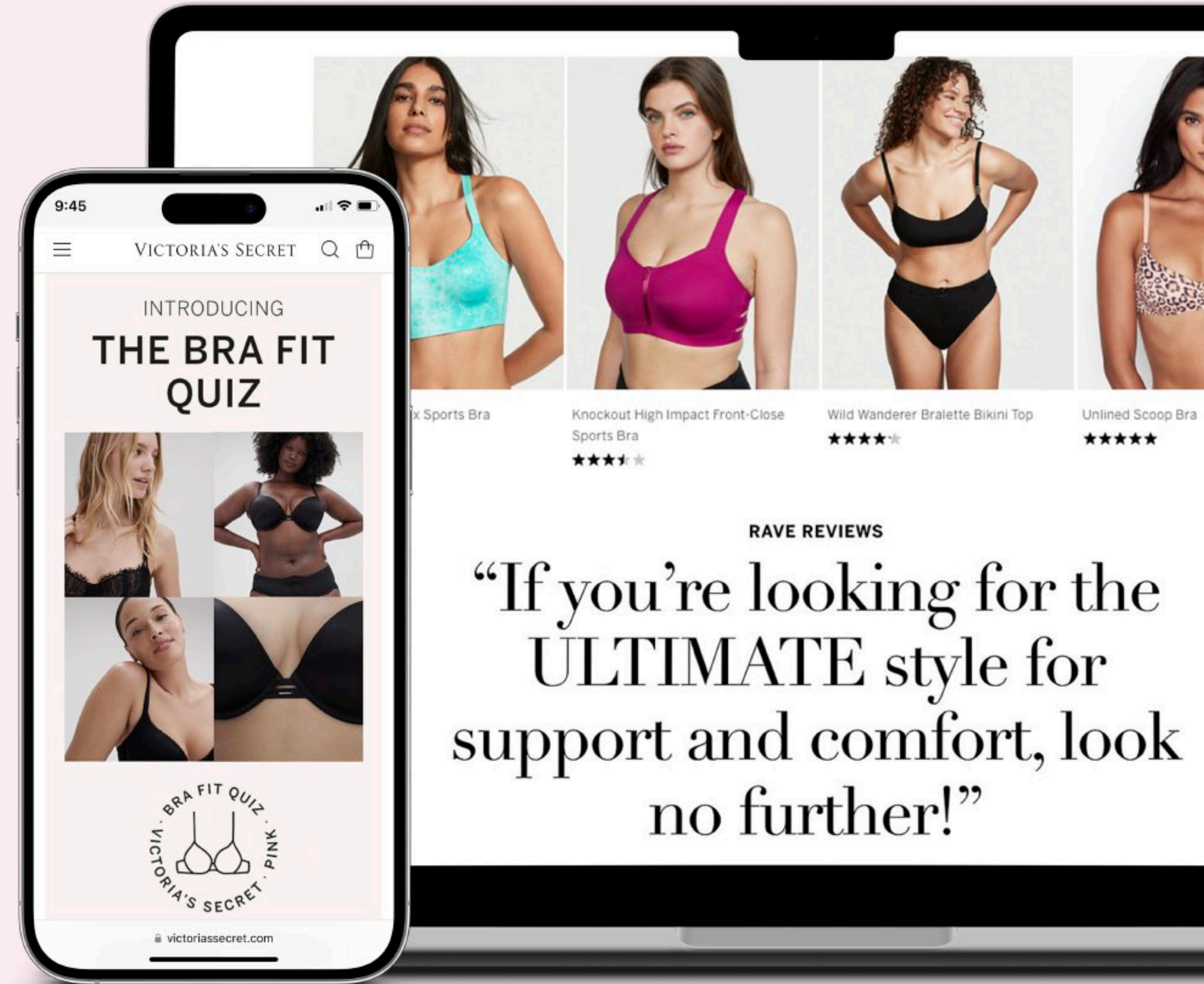
	Store	Online
Table Stakes	<ul style="list-style-type: none"><li>• Fast Checkout</li><li>• Easy Returns</li><li>• Functional Benefits on Signage</li></ul>	<ul style="list-style-type: none"><li>• Fast Checkout</li><li>• Easy Returns</li><li>• Easy Navigation</li><li>• Clear Order Status and Shipment Tracking</li><li>• Compatible with Payment Forms</li><li>• Easy Style/Product Comparison</li></ul>
Differentiators	<ul style="list-style-type: none"><li>• Close to Home</li><li>• Easy to Navigate</li><li>• Easy to Find Coordinating Products</li><li>• Helpful Associates</li><li>• Size Availability</li></ul>	<ul style="list-style-type: none"><li>• Current and Informative Reviews</li><li>• Easy to Find Products/Coordinating Products</li><li>• Fast Shipping</li><li>• Online Fit Tools</li><li>• Size/Fashion/Color Availability</li><li>• Clear Communication of Benefits</li></ul>
Extra Credit	<ul style="list-style-type: none"><li>• Good Loyalty/Rewards Program</li></ul>	<ul style="list-style-type: none"><li>• Good Loyalty/Rewards Program</li></ul>



# Significant Investments in the Omni Experience

Substantial operational scale & capabilities to leverage

- ~830 points of distribution
- 20,000+ associates practicing consultative selling
- Bra fit experts across stores and digital
- Data from 27M customers
- Personalization for commerce
- Integrated app experience
- Omni-channel deployed
- Agile, multi-region operations



Source: Company Data



# Strength Within Existing Loyalty Base with Significant Opportunity to Expand into Non-Card Loyalty



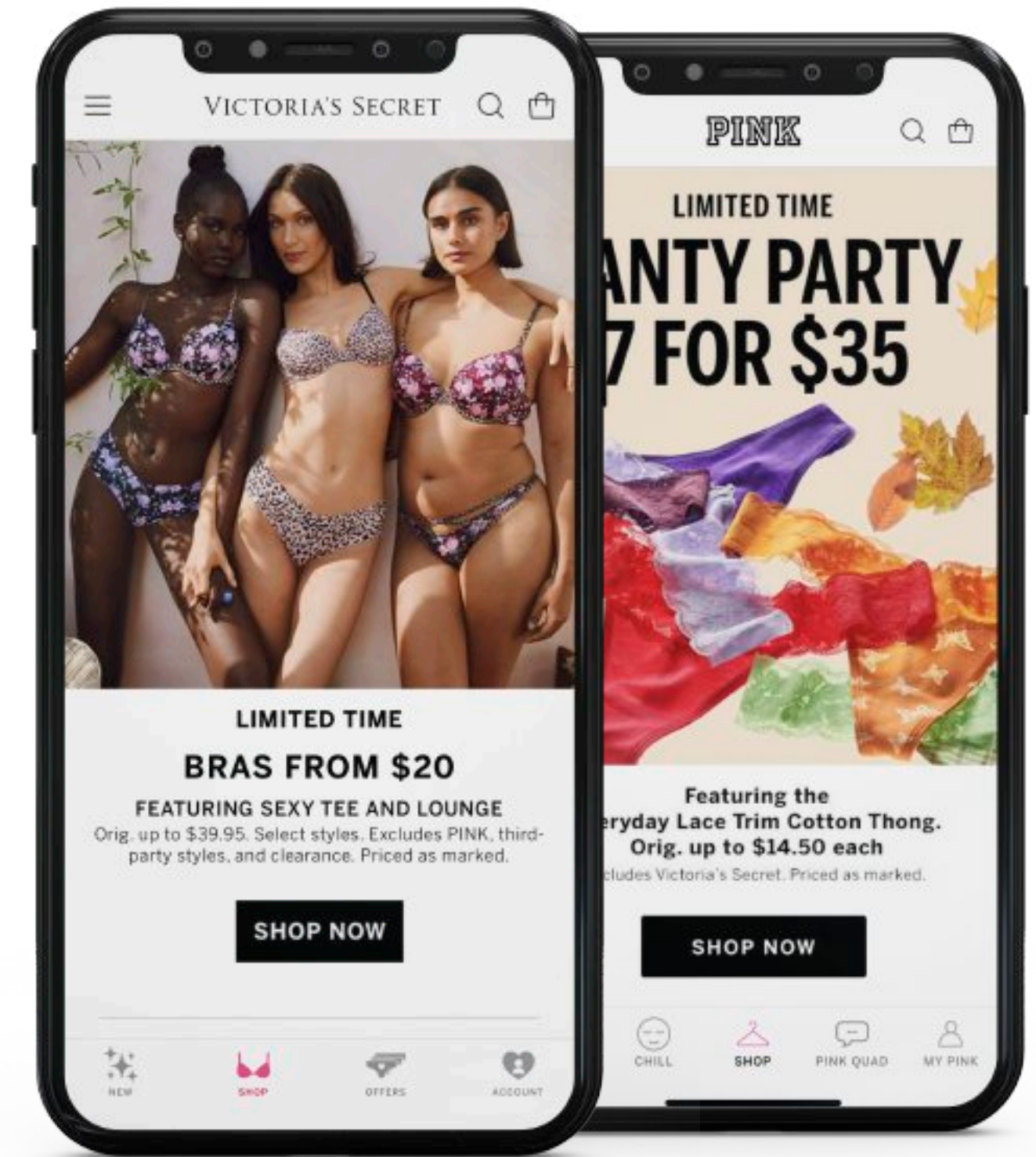
**Victoria's Secret  
Card Program**



**VS&Co/MasterCard Co-branded  
Credit Card Program**

**Coming Soon!**

Non-Card Loyalty Program: More rewards, more member exclusives, more community & engagement benefits



**Two Strong Brand Apps  
(Victoria's Secret & PINK Nation)**



# We Will Deepen Our Relationships with Existing Customers & Attract New, Loyal Customers

**Meet our customers where they are**

**Leverage data to know our customers even better**

**Be inclusive, authentic and helpful in how we support the customer shopping experience**

**Offer more convenient shopping options to support our customers' busy lifestyle**

**Expand loyalty to give our customers reasons to return again and again**



# Agenda

- Company Overview
- Financial Update
- Brand Strategy
- Customer & Omni Channel Update
- **Growth Strategy**
- Appendix







# Greg Unis

Chief Growth Officer,  
Victoria's Secret & Co.



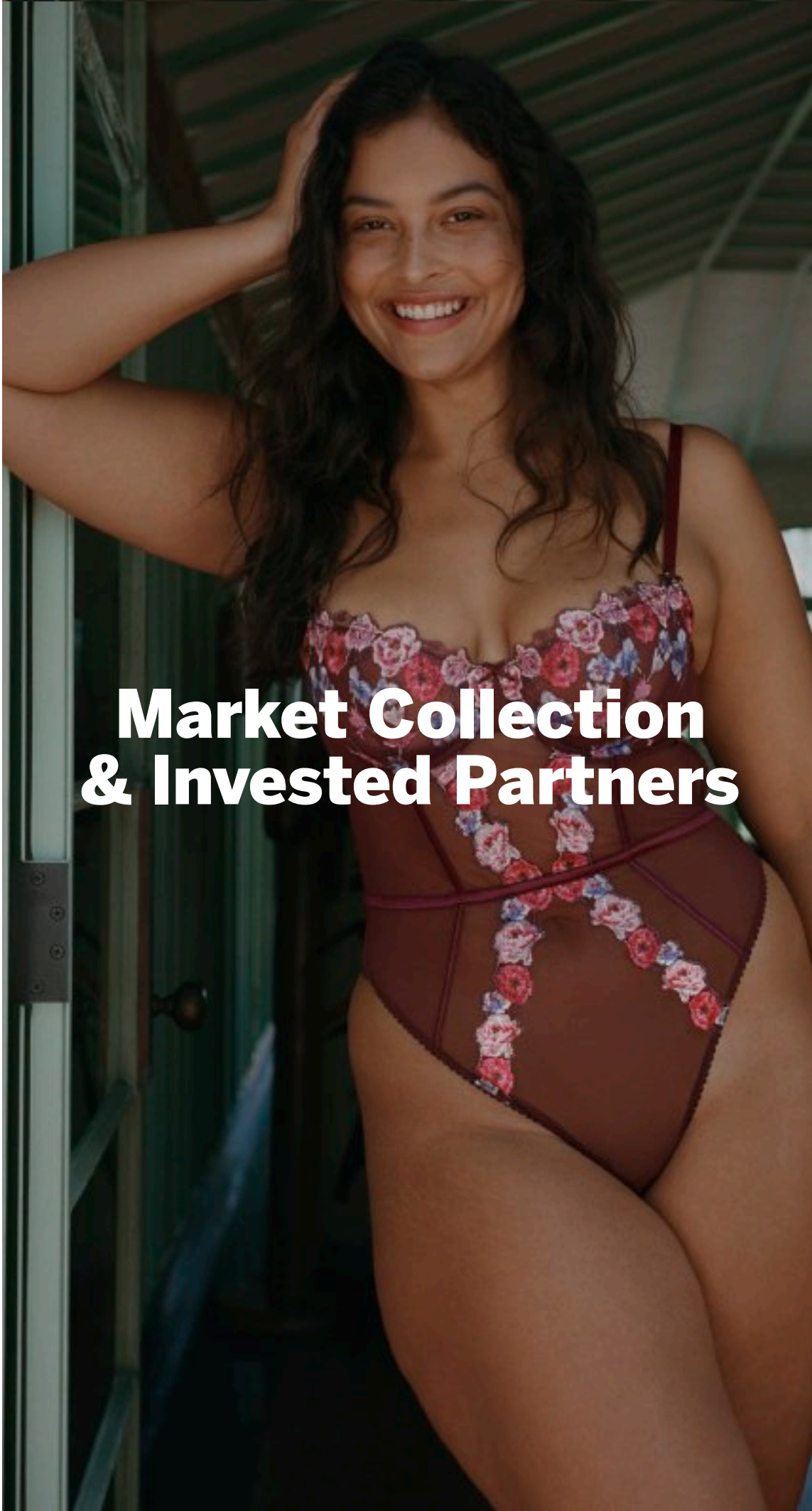
# Ignite Growth



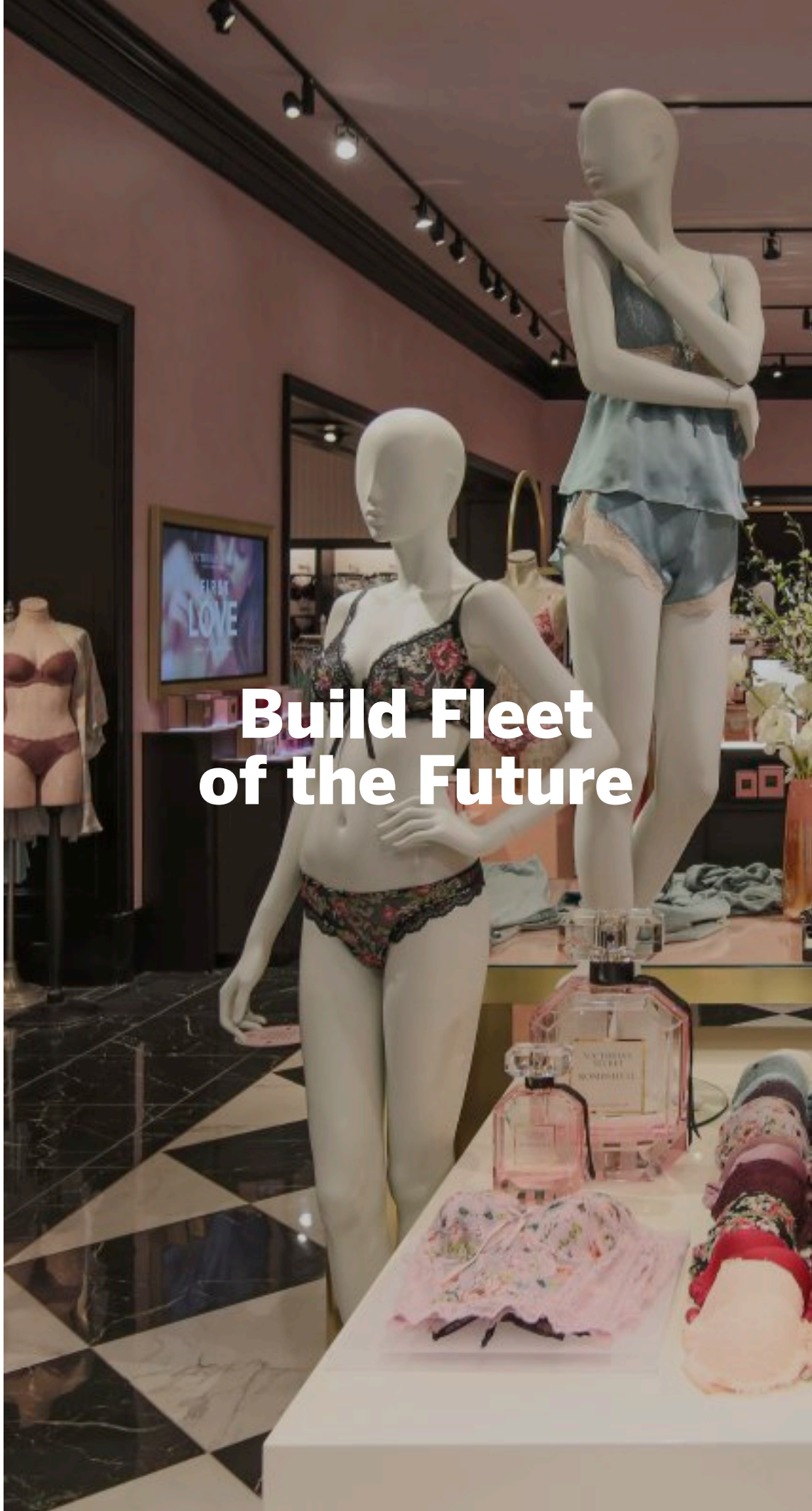
**Accelerate  
International**



**Channel Expansion  
& Wholesale**



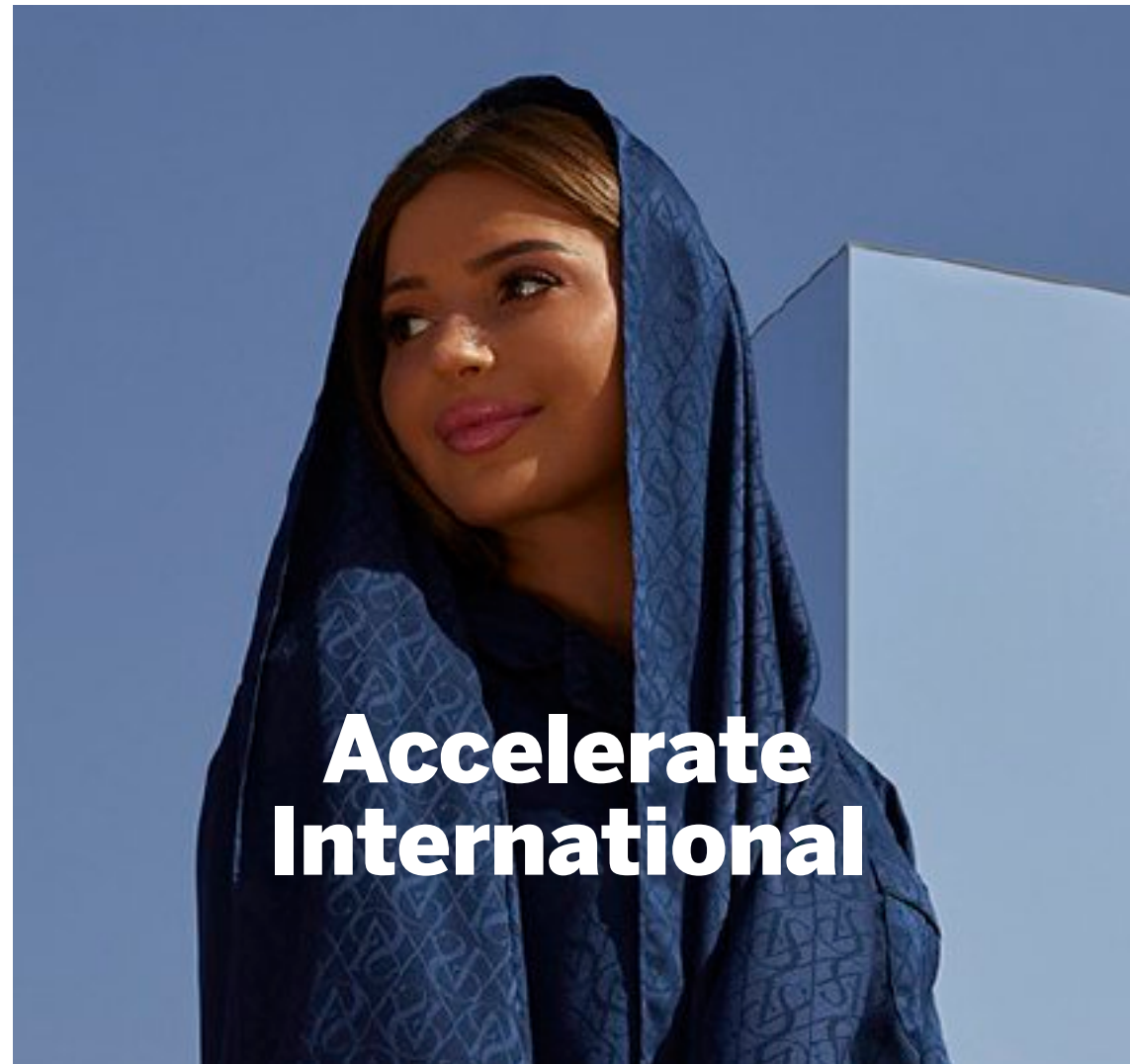
**Market Collection  
& Invested Partners**



**Build Fleet  
of the Future**



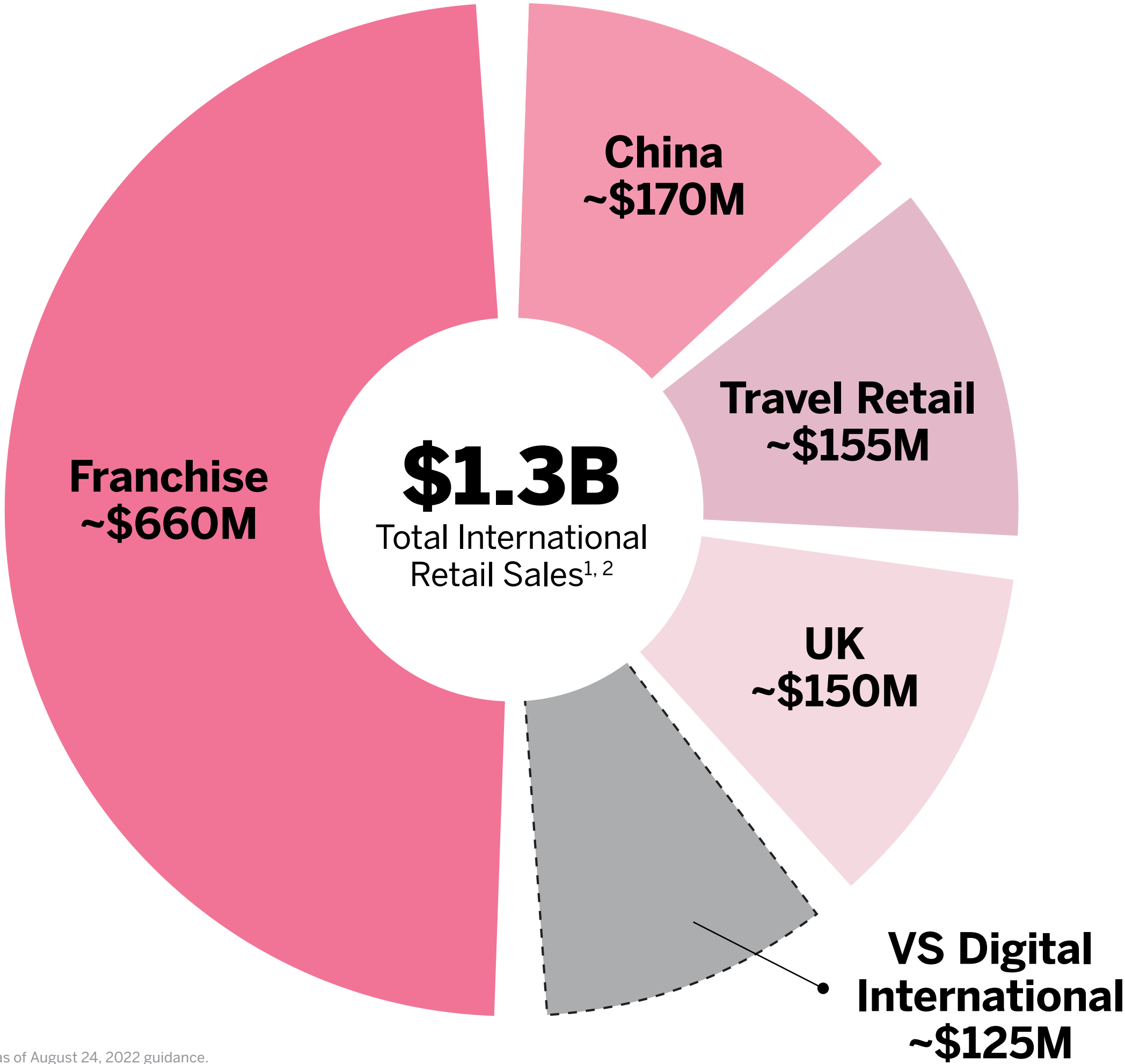
# Ignite Growth



- **Go where the customer is**
- **Market like a local**
- **Focus on Stores & Digital**



# Current International Operating Model



**\$0.6B<sup>1</sup>**  
Net Sales

**~25%<sup>1, 2</sup>**  
Digital % TTL

**~530<sup>1</sup>**  
Stores

**~50<sup>1</sup>**  
Sites

**Double Digit<sup>1, 2</sup>**  
Sales Growth

<sup>1</sup> Reflects fiscal year 2022 as of August 24, 2022 guidance.  
<sup>2</sup> Sales represent retail sales and not net sales. Includes international digital sales that transact through North America (\$0.1B).



# Ignite Future Growth by Accelerating International Sales

**\$3B**

Total International  
Retail Sales ~18% CAGR  
if achieved in 5 years

**\$1.3B**

2022 Projected Total  
International Retail Sales<sup>2</sup>

**30%**

Share of Total VS&Co  
Retail Sales

**~15%**

Approximate Share of  
Total VS&Co Retail Sales

**~5%**

Global Market Share  
in Key Geographies

**~1%**

Non-U.S. Lingerie  
Market Share as of 2021<sup>1</sup>

**30%**

Digital Sales as a % of  
Total International Retail

**~25%**

2022 Projected Digital as a %  
of Total International Retail<sup>2</sup>

***“Go where the customer is  
and market like a local”***

<sup>1</sup> Excludes PINK apparel and all Beauty retail sales.

<sup>2</sup> Forecast based on guidance provided August 24, 2022.



# VS International Growth Opportunity Based on Under Penetration Relative to Peers



**Fiscal 2022 Net Sales**  
**~50% Outside of North America**  
*(as of April 2, 2022)*



■ North America   ■ Rest of World



**Fiscal 2021 Net Sales**  
**~50% Outside of Americas**  
*(as of November 28, 2021)*



■ Americas   ■ Rest of World

**tapestry**

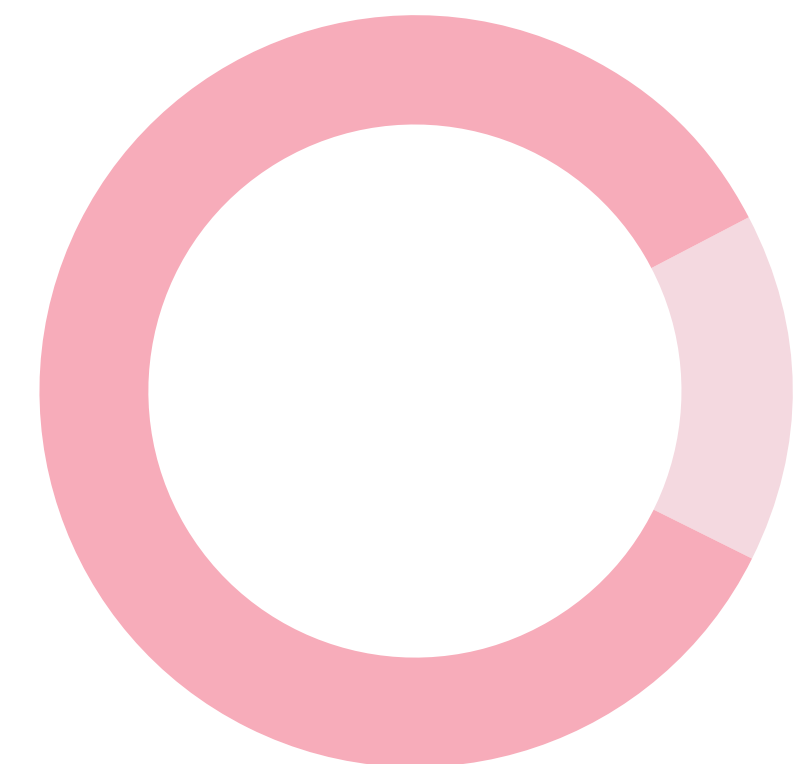
**Fiscal 2022 Net Sales**  
**~30% Outside of North America**  
*(as of July 2, 2022)*



■ North America   ■ Rest of World

**VICTORIA'S  
SECRET**

**Fiscal 2021 Retail Sales**  
**~15% Outside of North America**  
*(as of January 29, 2022)*



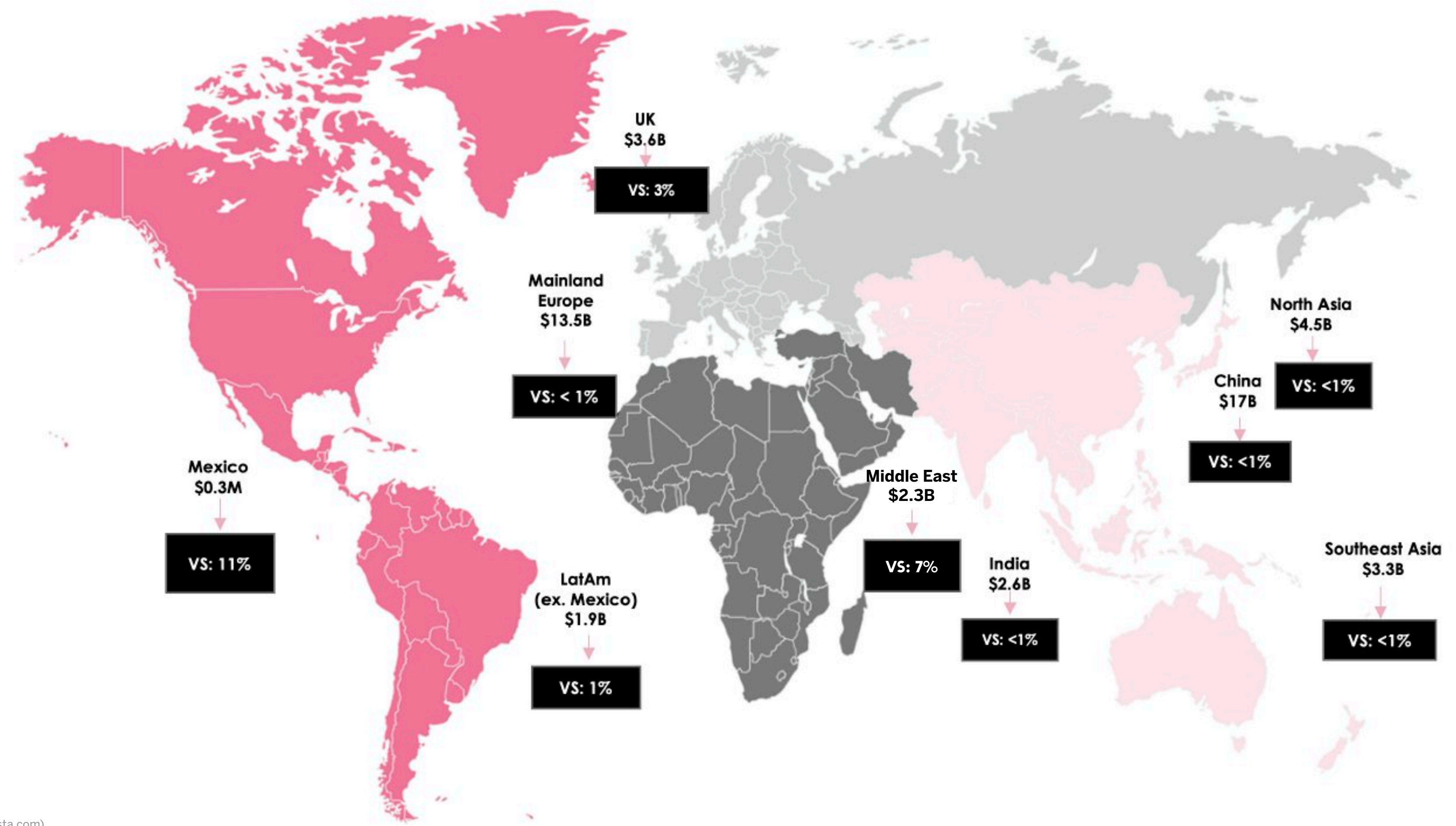
■ North America   ■ Rest of World

Source: Publicly Available Reports  
Logos and trademarks are the property of Ralph Lauren, Levi's and Tapestry respectively.



# VS is Still Under Penetrated in Most Parts of the World

Each percentage point growth in non-US lingerie market share grows VS retail sales more than \$600M annually

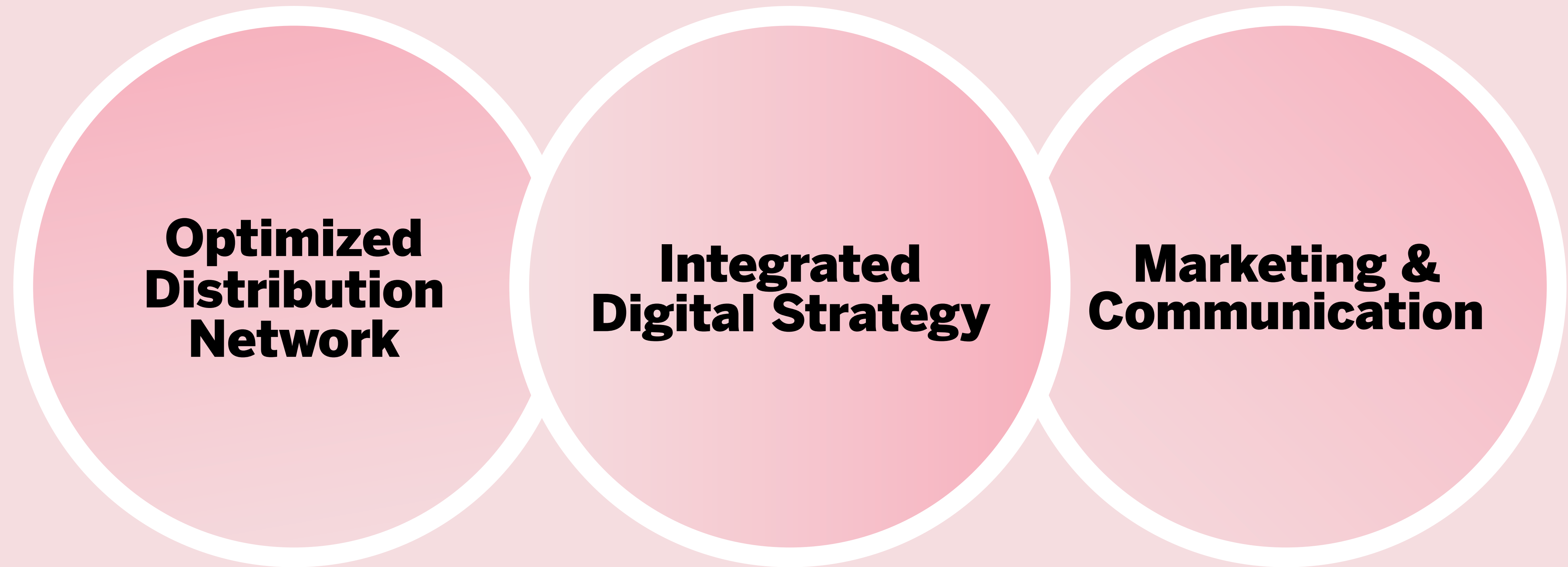


2021 Lingerie Annual Revenue by Country (Source: Statista.com).  
VS share represents 2021 retail sales excluding Pink Apparel and all Beauty.



# Enabler 1: Market Optimization

Go where the customer is and market like a local





# Enabler 2: Fleet of the Future

Deliver a great consumer experience: stores are aesthetically appealing, easy to shop, build, operate and are profitable



**Design  
Flexibility**

**Resource  
Capacity**

**Flexibility in  
Execution**



# Enabler 3: Supply Chain Initiatives

Agile, efficient, scalable and responsive supply chain that puts the customer first



**Position  
Inventory Closer  
to Demand**

**International  
MP&A Toolset**

**Synergy &  
Efficiency in  
“Buying”**



# Ignite Growth



## Accelerate International

- Go where the customer is
- Market like a local
- Focus on Stores & Digital



## Channel Expansion & Wholesale

- **Amazon**
- **Other Wholesale Partners**



## Market Collection & Invested Partners



## Build Fleet of the Future



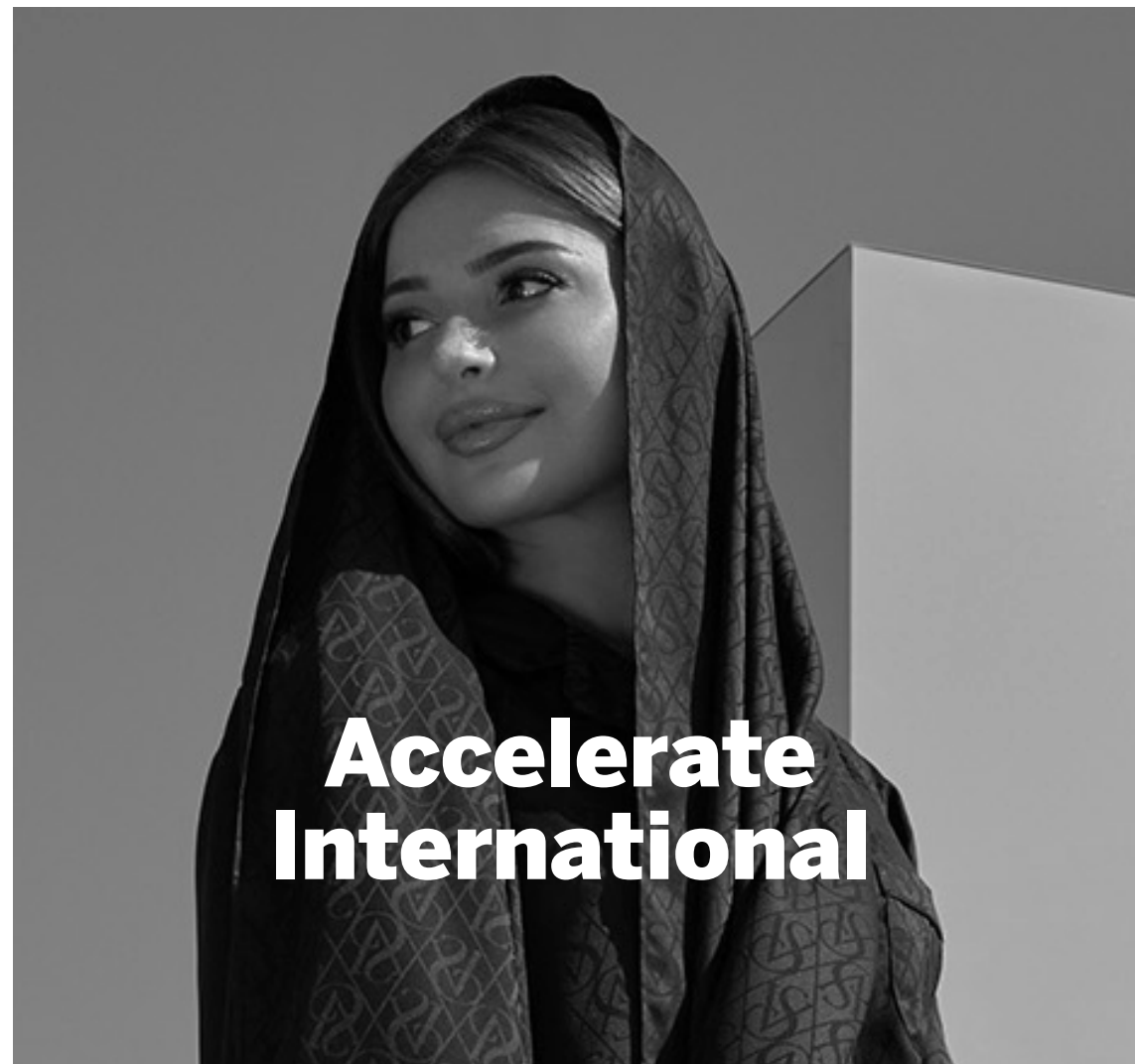
# Ignite Growth Through Channel Expansion

- Expand the reach of our brands in ways that complement our owned channels
- Service the customer when, where and how she wants to shop, while ensuring we show up in a brand-right way
- Leverage our proven, core product offerings with extended reach
- Initial launch on Amazon April 2022; concept accretive to date





# Ignite Growth



- Go where the customer is
- Market like a local
- Focus on Stores & Digital



- Amazon
- Other Wholesale Partners



- Intimates Market Insights
- Intimates Landscape
- VS&Co Market Collection Opportunity
- VS&Co Customer Profile
- VS&Co Market Collection Enablers
- For Love & Lemons
- Frankies Bikinis





# Our Goal is to be the World's Leading Fashion Retailer of Intimate Apparel

## OUR BRANDS

VICTORIA'S  
SECRET

**PINK**

## INVESTED PARTNERS

Strategic investments to expand product breadth, core competencies and customer reach while complementing VS/PINK assortment.

## MARKET COLLECTION

Brand partnerships offering curated product solutions for a diverse consumer base at every stage of their life. Through Market Collection partnerships we'll test and incubate white space concepts.



# This is What We See ... Here is the Opportunity

**Victoria's Secret** is a **leading player** in a fragmented landscape

Consumers are **shopping for solutions**, not brands

**Minimal physical store presence** outside VS and department stores

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## Strategic Implications



Shopping experience should be designed to be solution-oriented instead of brand-oriented

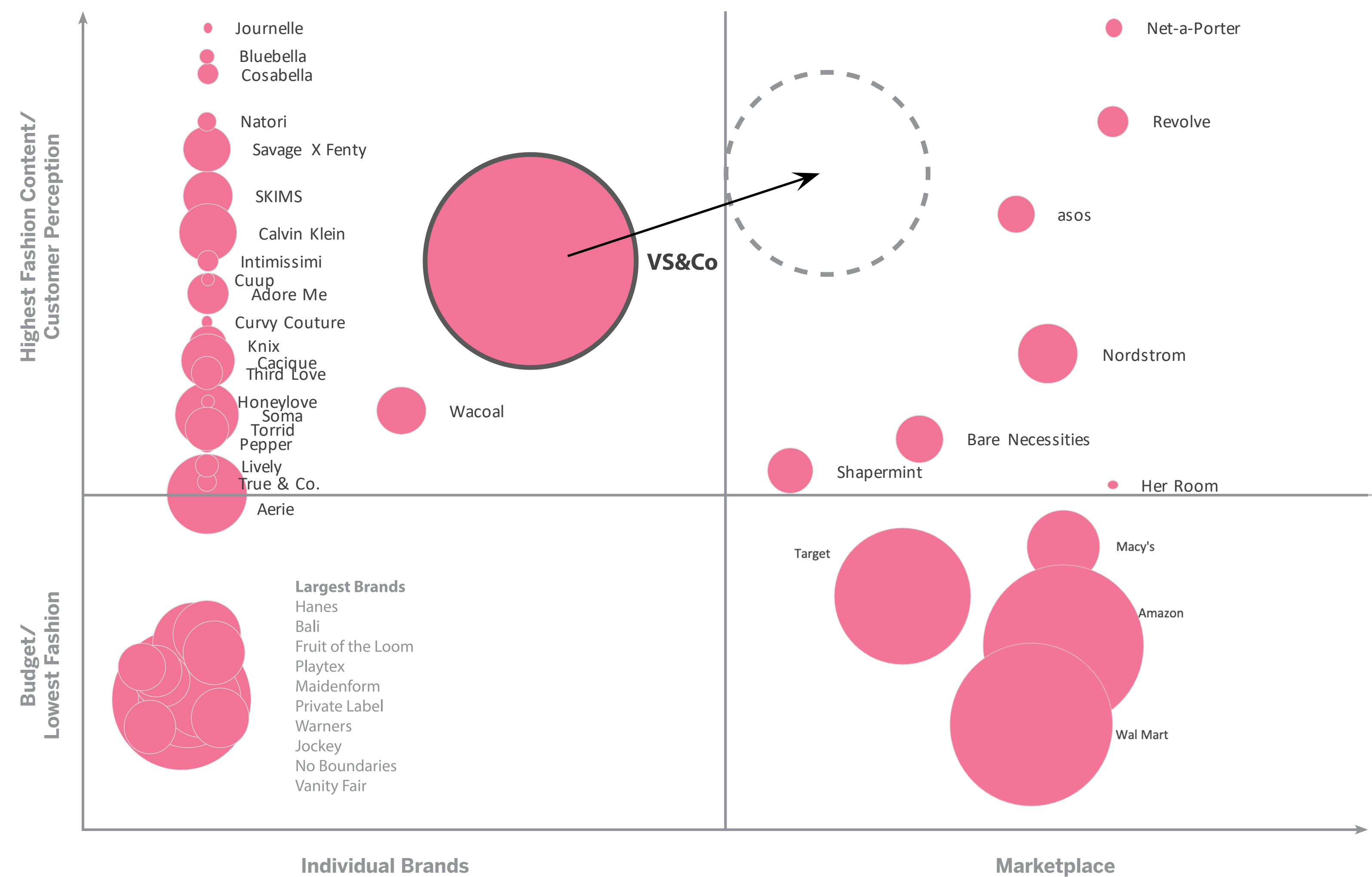
Third party brand partnerships to focus on filling white-space and underweight need

Investments directed where there is long-term differentiated value in the brand

Focus on how to increase market share through the growth of a VS&Co Market Collection



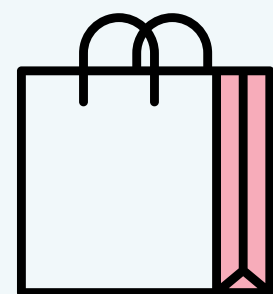
# Intimates Landscape 2022



Source: Illustrative representation of US intimates market largely based on NPD market share and various financial articles and estimates.



# We **love** our third party customers!



**She spends more!**  
3.5x more



**She makes more trips!**  
+3 more trips

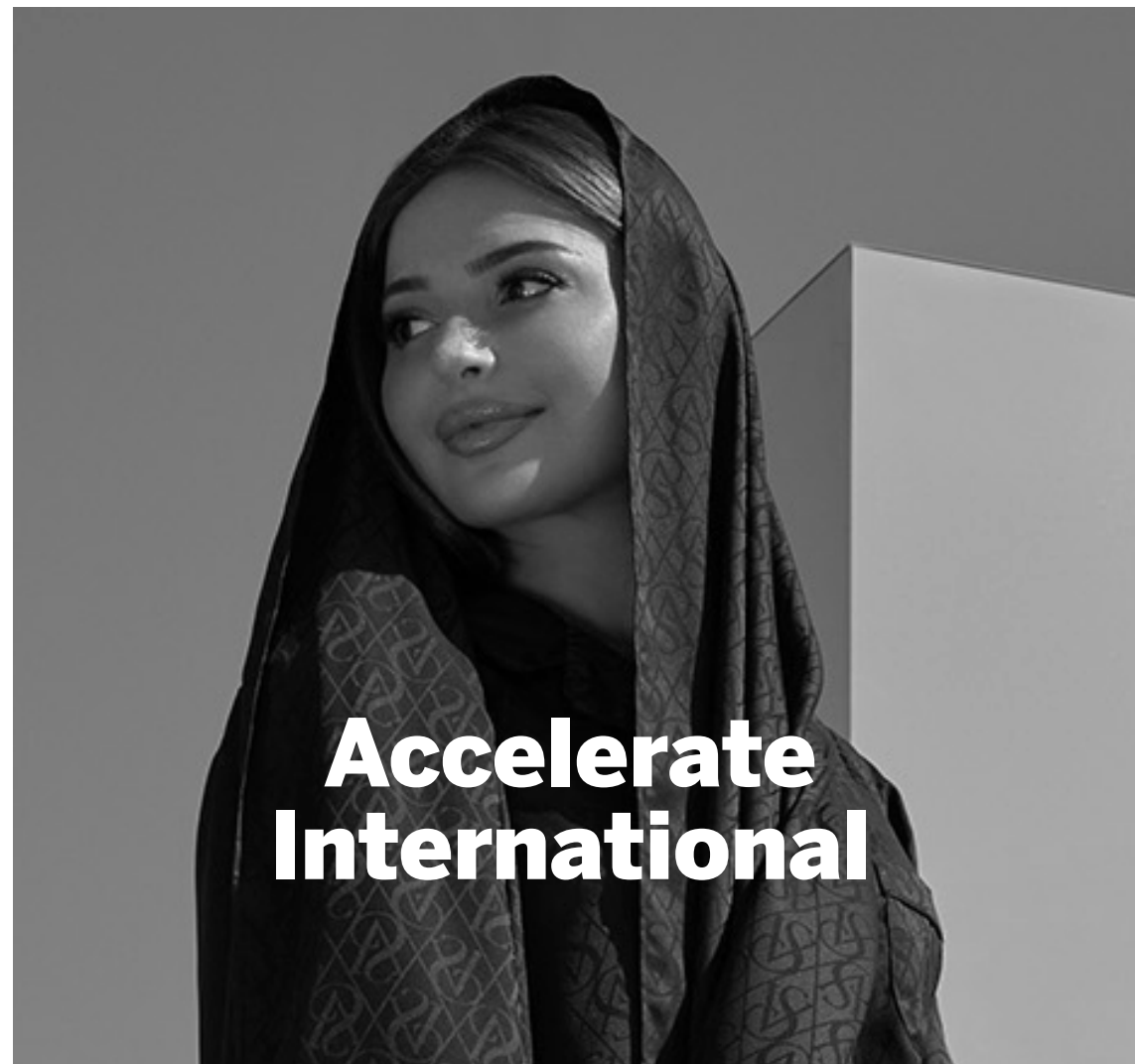


**She is more loyal!**  
+17 pp more credit card members  
+5pp more PINK Nation members





# Ignite Growth



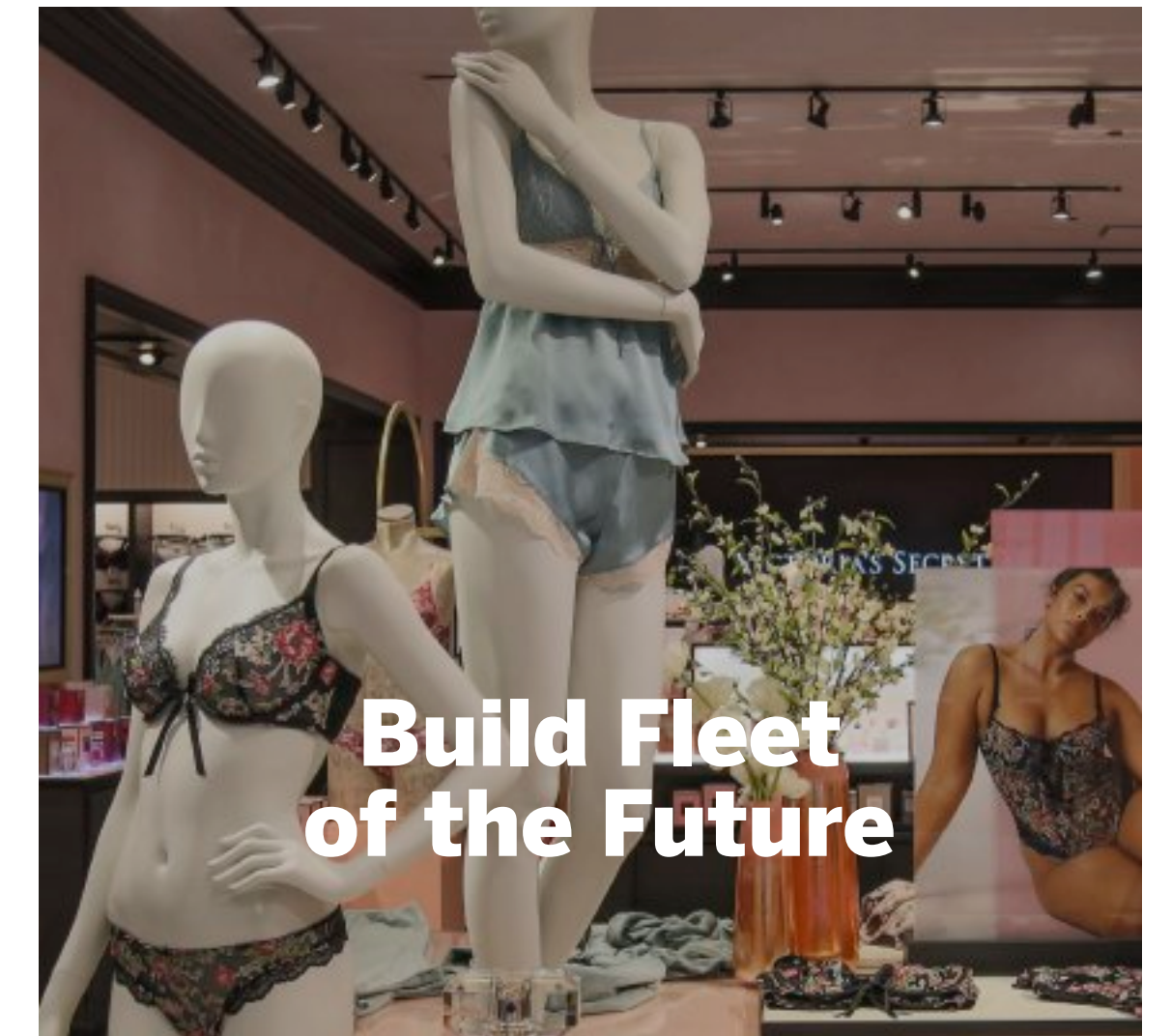
- Go where the customer is
- Market like a local
- Focus on Stores & Digital



- Amazon
- Other Wholesale Partners



- Intimates Market Insights
- Intimates Landscape
- VS&Co Market Collection Opportunity
- VS&Co Customer Profile
- VS&Co Market Collection Enablers
- For Love & Lemons
- Frankies Bikinis



- **Evolve composition of the store fleet**
- **Expand Store of the Future**



# North American Fleet

Year	Store Count	Fleet Size <sup>2</sup>	Mall Penetration	Store Age 5+ Years	Store of the Future Design
2022 <sup>1</sup>	<div>~830</div> <div>95% cash flow positive</div>	<div>7.3M</div> <div>Large store distortion (primarily A &amp; B malls)</div>	<div>~85%</div> <div>Disproportionately high</div>	<div>~700 Stores</div> <div>~85% of the fleet</div>	<div>&lt;5%</div> <div>~30 North America stores to be opened by YE 2022</div>



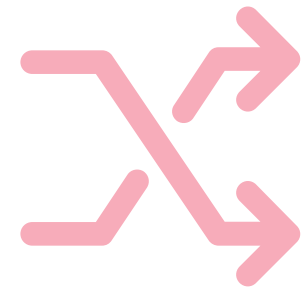
Source: Company Data  
<sup>1</sup> Reflects forecast as of August 24, 2022 guidance.  
<sup>2</sup> Represents gross square footage.



# Fleet Priorities

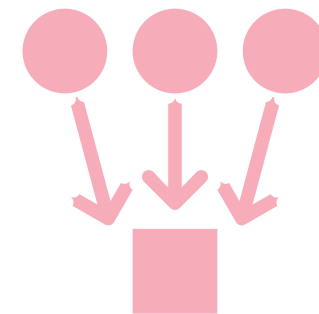
## Diversify Fleet

Increase off-mall presence to mitigate future vulnerability in weakening lower tier venues and enhance customer accessibility



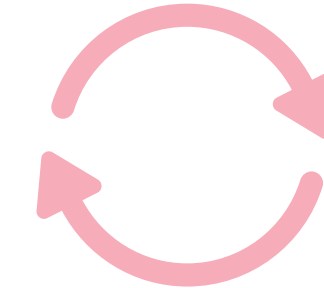
## Improve Productivity

Reduce square footage through downsizes and consolidations of VS/PINK freestanding stores



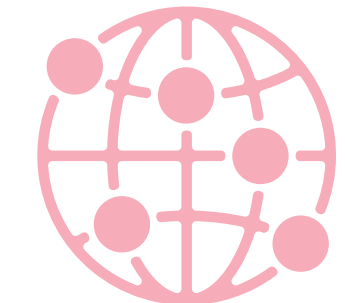
## Update Fleet

Update aging stores fleet to brand relevant formats (Store of the Future)



## Support Int'l Growth

Significant store growth outside U.S.





# Store of the Future





# Store Refresh

## 2021 Store Refresh Scope

- **Good:** Removed all old timeless images across the store and in the windows
- **Better:** Removed decorative lighting, existing wall coverings and updated walls with new VS palette
- **Best:** Installed video screens in storefront windows

## 2022 & Beyond

Continue fleet evolution, expansion of select Store of the Future concepts

- Crave Fitting Room Technology
- Digital Promo Signage Program
- Digital Bra Menu
- New Timeless Imagery Package





# North American Fleet Evolution

Year	Store Count	Fleet Size <sup>2</sup>	Mall Penetration	Store Age 5+ Years	Store of the Future Design
2022 <sup>1</sup>	<div>~830</div> <div>95% cash flow positive</div>	<div>7.3M</div> <div>Large store distortion (primarily A &amp; B malls)</div>	<div>~85%</div> <div>Disproportionately high</div>	<div>~700 Stores</div> <div>~85% of the fleet</div>	<div>&lt;5%</div> <div>~30 North America stores to be opened by YE 2022</div>
2025	<div>Similar Store Count</div> <div>Shifting fleet composition with ~60 new off-mall stores</div>	<div>Smaller, More Productive Stores</div>	<div>Increase in Off-Mall Penetration</div> <div>Diversifying fleet through closing 'at risk' malls and opening new off-mall stores</div>	<div>Fewer Aged Stores</div> <div>through new locations and remodels</div>	<div>~30%</div> <div>~240 stores in total</div>

Source: Company Data  
<sup>1</sup> Reflects forecast as of August 24, 2022 guidance.  
<sup>2</sup> Represents gross square footage.



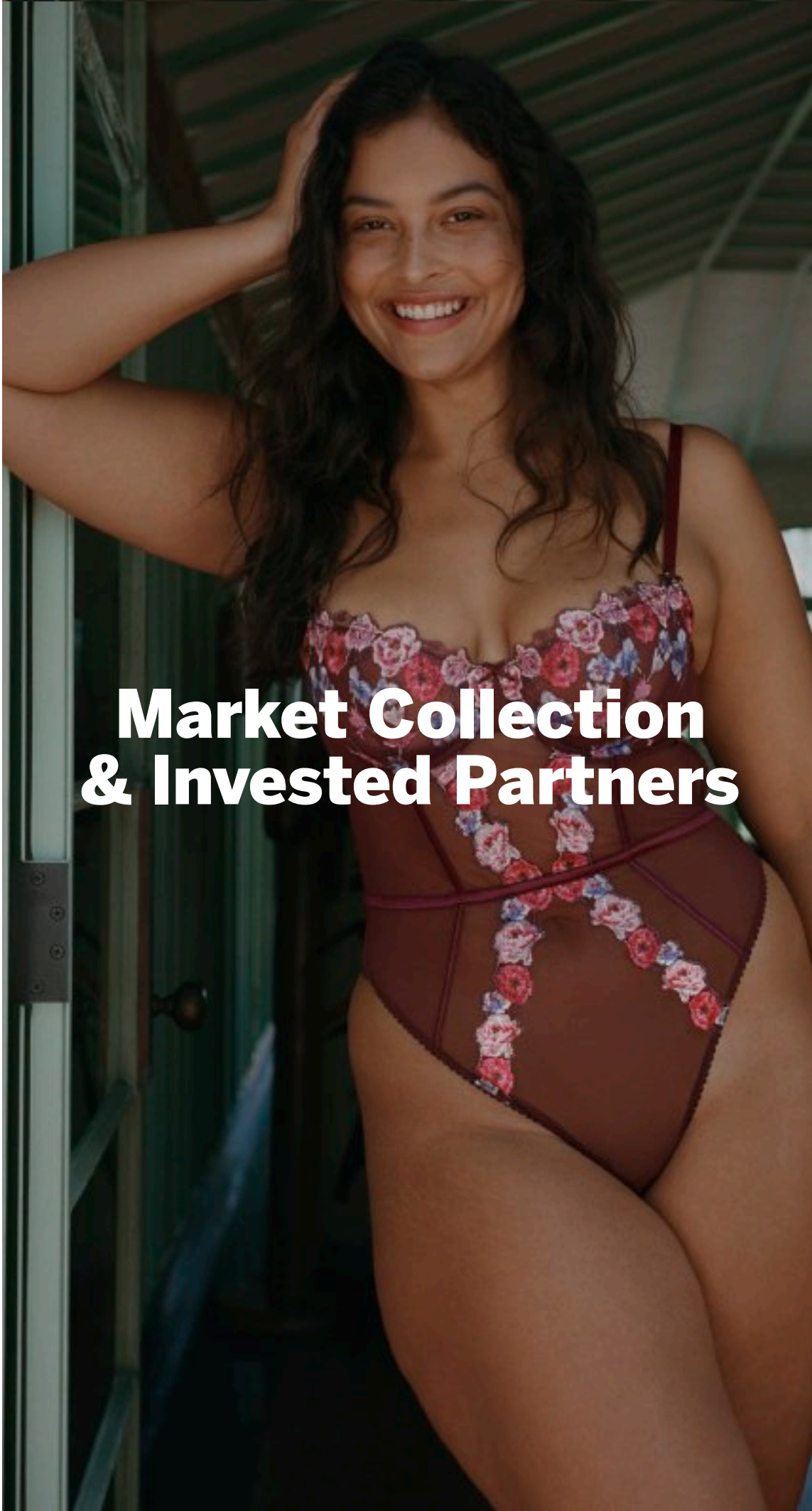
# Ignite Growth Recap



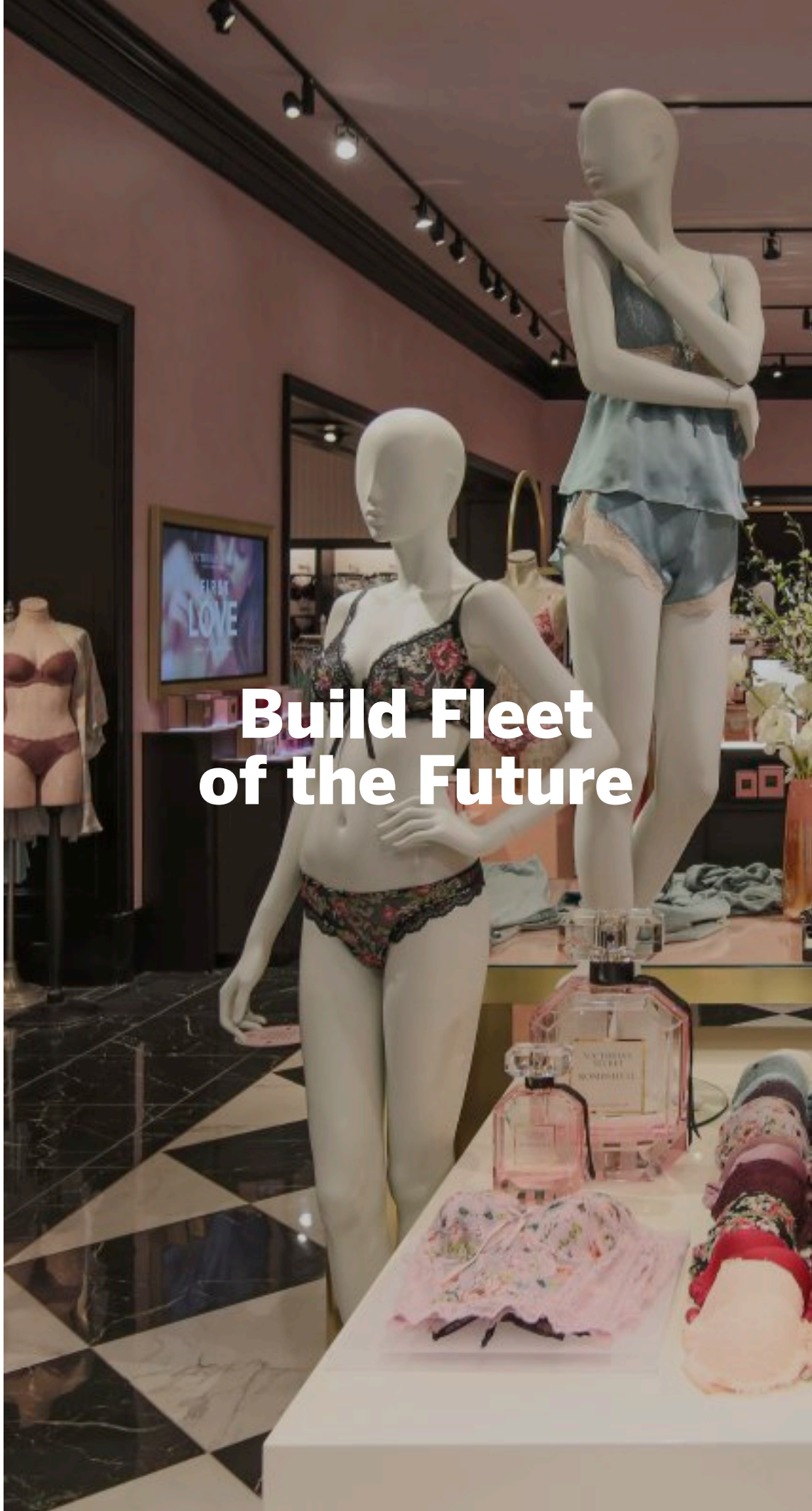
**Accelerate  
International**



**Channel Expansion  
& Wholesale**



**Market Collection  
& Invested Partners**



**Build Fleet  
of the Future**

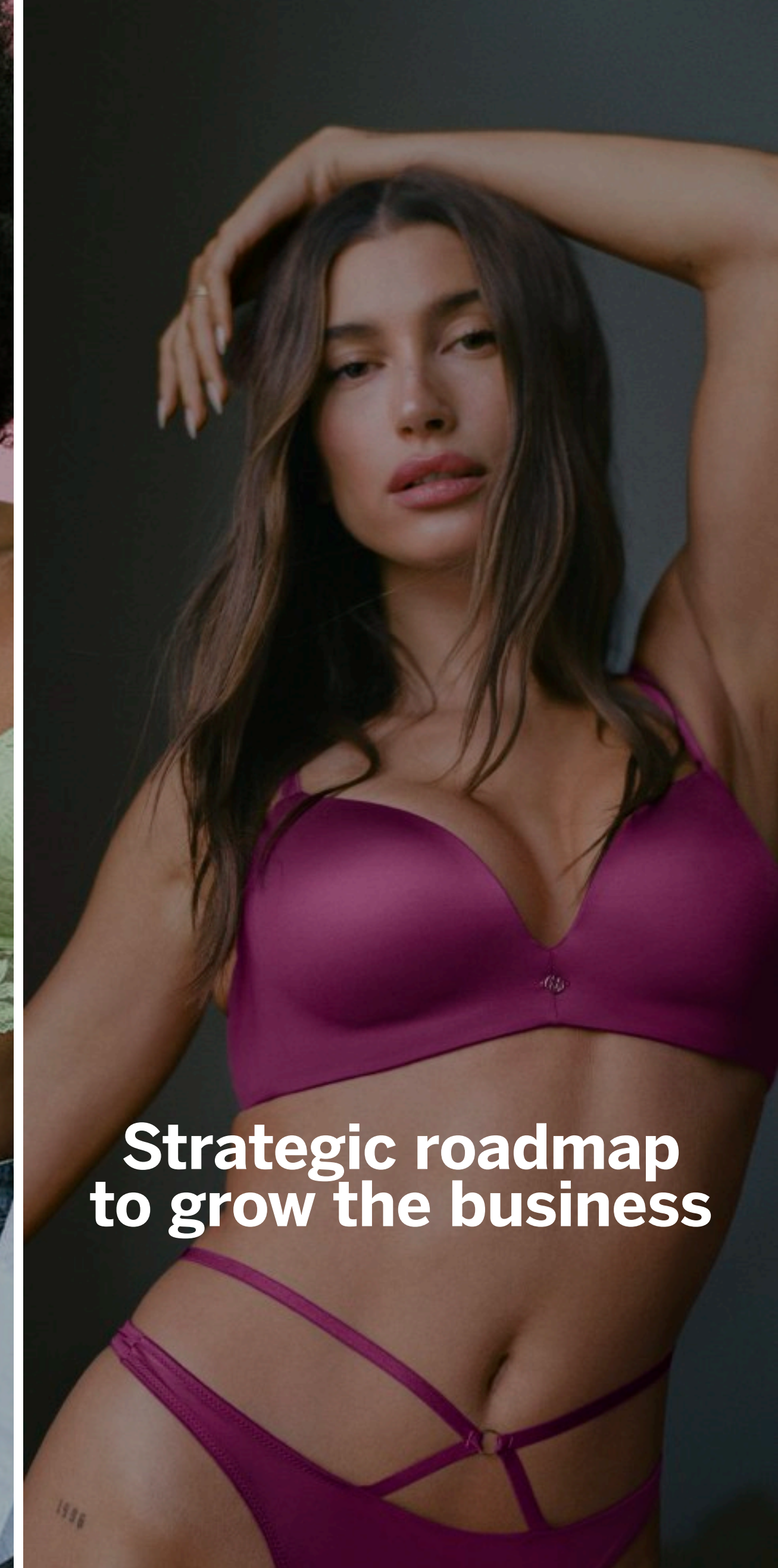
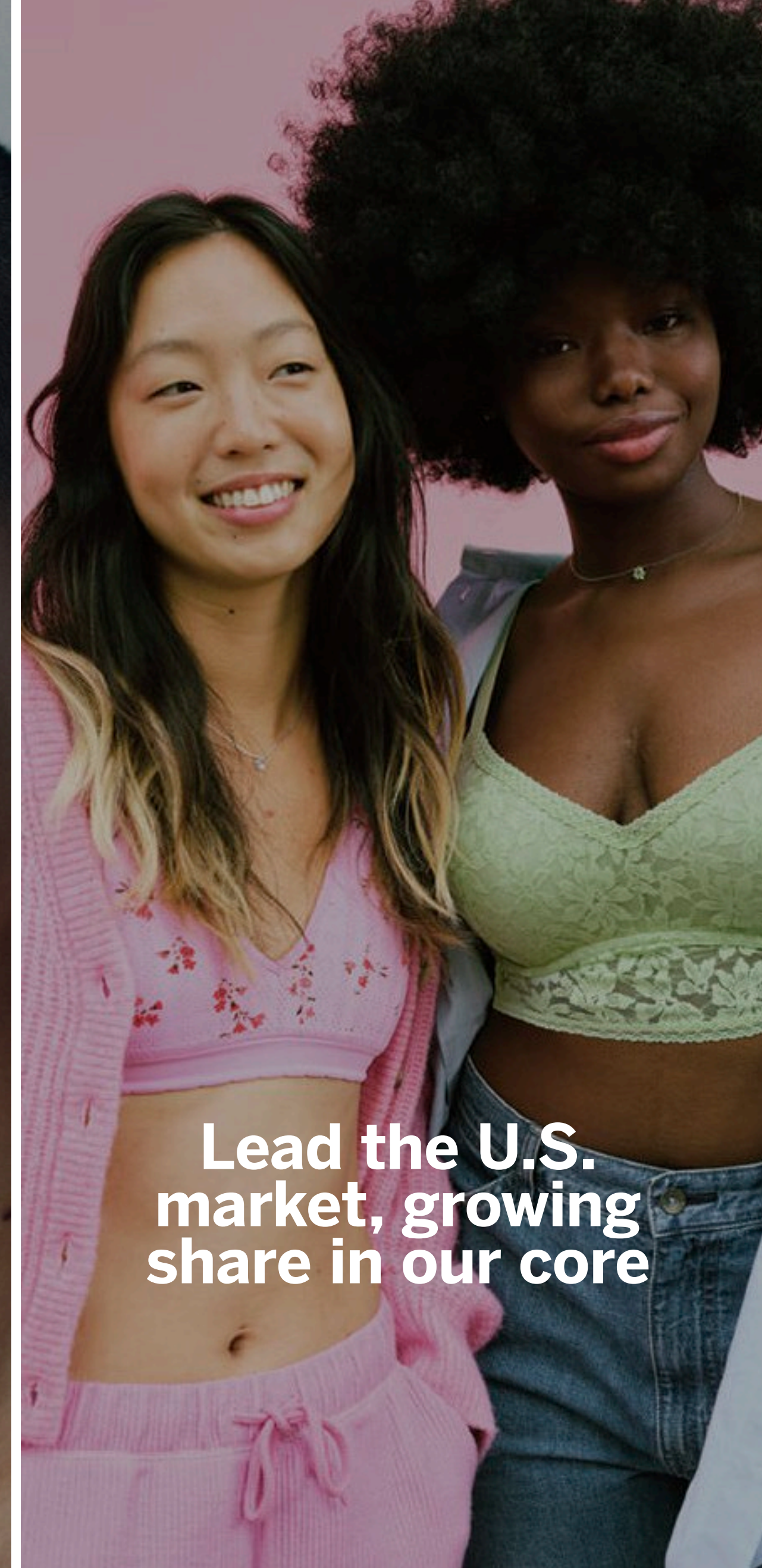
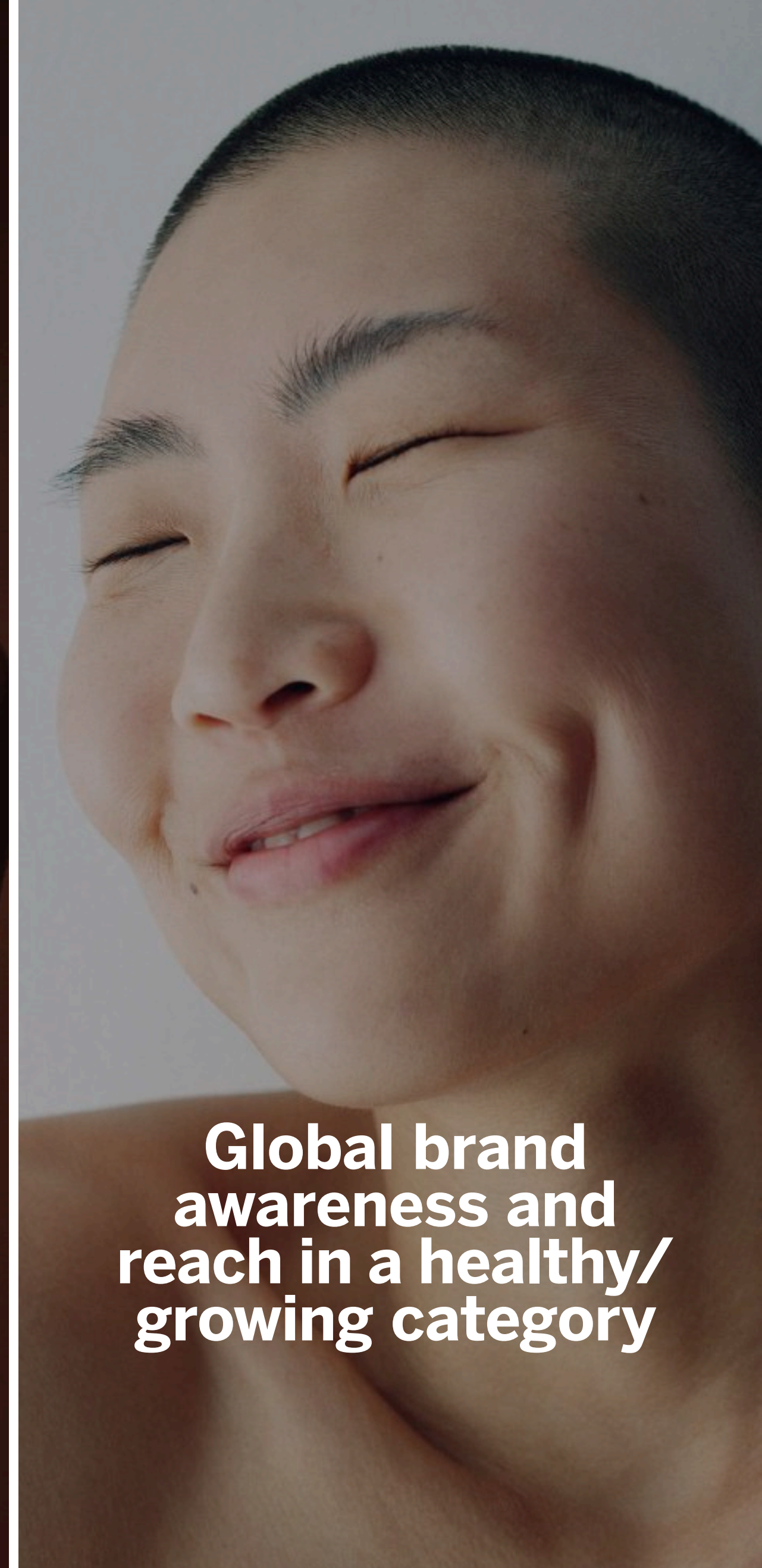




# Martin Waters

Chief Executive Officer,  
Victoria's Secret & Co.





**Strong management  
team, board of  
directors and a new  
company culture**

**Global brand  
awareness and  
reach in a healthy/  
growing category**

**Lead the U.S.  
market, growing  
share in our core**

**Strategic roadmap  
to grow the business**



We're midway through the turnaround of our business with a clear roadmap to become the world's leading fashion retailer of intimate apparel.

**Strengthen  
the Core**

**Ignite  
Growth**

**Transform the  
Foundation**



# Agenda

- Company Overview
- Financial Update
- Brand Strategy
- Customer & Omni Channel Update
- Growth Strategy
- **Appendix**





**ADJUSTED FINANCIAL INFORMATION**  
(Unaudited)

(in millions)	Forecasted Full Year Ended January 28, 2023
<b><u>Reconciliation of Operating Income to Adjusted Operating Income</u></b>	
Operating Income - GAAP	\$ 474 to 524
% <i>Net Sales</i>	8%
Restructuring Charge (a)	22
Occupancy-related Legal Matter (a)	29
Adjusted Operating Income	<u>\$ 525 to 575</u>
% <i>Net Sales</i>	9%

(a) In the second quarter of 2022, we recognized a pre-tax severance charge of \$29 million related to restructuring activities to reorganize our leadership structure.

(b) In the first quarter of 2022, we recognized a \$22 million pre-tax charge related to a legal matter with a landlord regarding a high-profile store that we surrendered to the landlord prior to separation.

*The non-GAAP financial information presented in this presentation should not be construed as an alternative to the reported results determined in accordance with generally accepted accounting principles. Further, the Company's definition of such non-GAAP financial measures may differ from similarly titled measures used by other companies. Management believes that the presentation of adjusted financial information provides additional information to investors to facilitate the comparison of past and present operations. While it is not possible to predict future results, management believes the adjusted financial information is useful for the assessment of the ongoing operations of the Company because the adjusted items are not indicative of our ongoing operations due to their size and nature. Management uses adjusted financial information as key performance measures of results of operations for the purpose of evaluating performance internally. In addition, we present EBITDA and adjusted EBITDA which are non-GAAP financial measures. EBITDA is defined as earnings before interest expense, income tax expense and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted to remove certain special items. The non-GAAP financial information should be read in conjunction with the Company's historical financial statements and notes thereto contained in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission. The table above reconciles the non-GAAP financial measures to their most directly comparable GAAP financial measures.*



## ADJUSTED FINANCIAL INFORMATION

(Unaudited)

(in millions)	Fiscal Year Ended			Twelve-Months Ended
	February 1, 2020	January 30, 2021	January 29, 2022	July 30, 2022
<b><u>Reconciliation of Net Income (Loss) Attributable to Victoria's Secret &amp; Co. to EBITDA</u></b>				
Net Income (Loss) Attributable to Victoria's Secret & Co. - GAAP	\$ (897)	\$ (72)	\$ 646	\$ 472
Interest Expense	8	6	27	49
Income Tax Expense	(2)	(34)	197	116
Depreciation and Amortization	411	326	303	285
EBITDA	<u>\$ (480)</u>	<u>\$ 226</u>	<u>\$ 1,173</u>	<u>\$ 922</u>
<b><u>Reconciliation of EBITDA to Adjusted EBITDA</u></b>				
EBITDA	\$ (480)	\$ 226	\$ 1,173	\$ 922
% Net Sales	-6%	4%	17%	14%
Asset Impairments (a)	253	214	-	-
Restructuring Charges (b)	-	51	-	29
Hong Kong Store Closure and Lease Termination (c)	-	(36)	-	-
Establishment of Victoria's Secret U.K. and Ireland Joint Venture with Next PLC (d)	-	(30)	-	-
Impairment of Goodwill (e)	720	-	-	-
Occupancy-related Legal Matter (f)	-	-	-	22
Adjusted EBITDA	<u>\$ 493</u>	<u>\$ 425</u>	<u>\$ 1,173</u>	<u>\$ 973</u>
% Net Sales	7%	8%	17%	15%

- (a) We recognized pre-tax impairment charges of \$97 million and \$117 million related to certain store and lease assets in the first and second quarter of 2020, respectively. We recognized pre-tax impairment charges of \$218 million and \$35 million related to certain store and lease assets in the third and fourth quarter of 2019, respectively.
- (b) In the second quarter of 2020, we recognized pre-tax severance charges of \$51 million related to headcount reductions as a result of restructuring activities. In the second quarter of 2022, we recognized a pre-tax severance charge of \$29 million related to restructuring activities to reorganize our leadership structure.
- (c) In the second quarter of 2020, we recognized a net pre-tax gain of \$36 million related to the closure and termination of our lease for the Hong Kong flagship store.
- (d) In the third quarter of 2020, we recognized a pre-tax gain of \$30 million related to the establishment of a joint venture for the U.K. and Ireland business with Next PLC.
- (e) In the fourth quarter of 2019, we recognized a \$690 million pre-tax goodwill impairment charge related to the North America reporting unit. In the third quarter of 2019, we recognized a \$30 million goodwill impairment charge related to the Greater China reporting unit.
- (f) In the first quarter of 2022, we recognized a \$22 million pre-tax charge related to a legal matter with a landlord regarding a high-profile store that we surrendered to the landlord prior to separation.

*For periods prior to the separation in the third quarter of 2021, results are on a carve-out basis and include unallocated overhead as part of L Brands. The results, because of this, are not necessarily indicative of what we would expect as a standalone business.*