

Reducing Victoria's Secret & Co. Scope 1 and 2 Emissions: A Peer Case Study

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INTRODUCTION

The goal of this project is to reduce Scope 1 and 2 emissions from the Victoria's Secret & Co. facilities in Columbus, OH. Columbus is home to Victoria's Secrets' main office, in addition to all their owned distribution centers. During the pandemic, these buildings received many efficiency upgrades to their lighting, cooling, plumbing, and more - but Victoria's Secret wants to reduce these emissions even further. We were tasked with researching the state of sustainability in the fashion industry to determine how Victoria's Secret compares and identify areas of opportunity to reduce their Scope 1 and 2 emissions.

SCOPE 1

Direct Emissions Owned Assets

- Facilities
- Equipment
- Vehicles
- Onsite landfills

SCOPE 2

Indirect Emissions Energy Purchased

- Purchased electricity
- Purchased heating
- Purchased cooling

OBJECTIVES

Understand Victoria's Secret Facilities through key informant interviews with internal contacts and a 3-hour site tour.

Research Peer Brands using public data to identify industry best practices and emissions reduction strategies.



Develop Recommendations For Reducing Scope 1 and 2 Emissions by synthesizing peer research and Victoria's Secret data.

INDUSTRY BEST PRACTICES

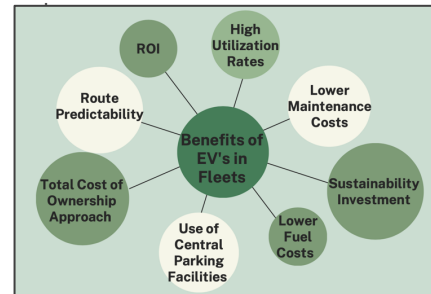
Through our research into Victoria's Secrets' facilities and six peer brands consisting of both proxy and growing brands, we were able to determine the best Scope 1 and 2 reduction strategies being used in the industry today.

- Formal ESG Reporting
- Renewable Energy + Carbon Credits/Offsets
- Emission Reduction Goals
- Low Emission Transportation (EVs, Boats)
- Energy Efficient Heating/Cooling
- Motion Sensor LED Lighting
- Automatic Water Faucets and Flush Valves

RECOMMENDATIONS

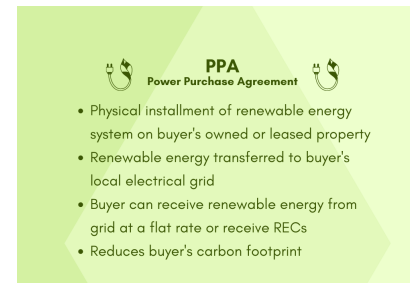
I. Switch Fleet to Electric Vehicles

Making the switch to electric vehicles (EVs) in Victoria's Secret's ground fleet is a great strategy to reduce Scope 1 emissions while also showing short and long-term total cost of ownership



II. Power Purchase Agreements

An effective way to reduce Scope 2 emissions is to reduce or eliminate traditional fossil fuel energy and transition to renewable energy. Power Purchase Agreements (PPAs) are long-term agreements between a buyer and third-party developer. The contract allows the third-party developer to install, own, and operate an energy system on the buyer's property. The renewable energy generated from the energy system is bought at a set price that can typically be lower than the market rate.



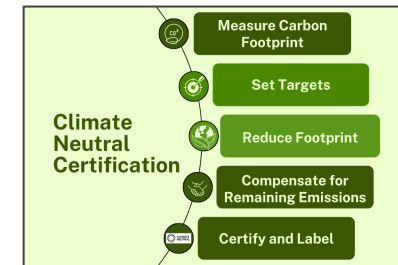
III. LEED and WELL Certification by 2030

We recommend that Victoria's Secret work towards LEED and WELL certifications for all their Columbus facilities by 2030. LEED and WELL are partnering together to streamline the process for achieving a dual certification. Receiving a license in both health and sustainability for all Columbus facilities will establish Victoria's Secret as an industry leader. Scope 1 and scope 2 emissions will drastically decrease after following each frameworks extensive regulations of a buildings impact on both environmental and human health.



IV. Climate Neutral Certification by 2050

Certifications are a reliable label to show consumers the brands actions toward responsible business practices. Obtaining a climate neutral certification by 2050 is a goal common across the retail industry. We recommend establishing a goal to obtain Climate Neutral Certification by 2050 because this certification is a standardized, effective way to communicate the efforts Victoria's Secret is taking to be environmentally conscious.



CONCLUSIONS

Victoria's Secret has already done extensive work outfitting their Columbus facilities with energy, water, and heat/cooling efficient infrastructure. However, to become a leader in sustainability as Victoria's Secret hopes to do, they need to have an ambitious, long-term plan. Through our research, we were able to identify the most impactful, realistic goals for Victoria's Secret to adopt in order to reduce their Scope 1 and 2 emissions in the short and long-term.

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BIBLIOGRAPHY

