



Corporate Social Responsibility & Sustainability Report

Fiscal 2024

Destination XL Group, Inc.

[HTTPS://WWW.DXL.COM/ENVIRONMENTAL-SOCIAL-GOVERNANCE/CAT1080052](https://www.dxl.com/environmental-social-governance/cat1080052)

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In this document, Destination XL Group, Inc. (“DXLG”) provides additional ESG (“Environmental, Social and Governance”) data and facts for fiscal 2024. As we advance on our ESG journey, we anticipate that we will refine the definitions for these metrics, the data-gathering process as well as our internal controls. Unless noted otherwise, data is presented on a fiscal-year basis. Data may be rounded.

No third-party assurance is provided on our sustainability disclosures discussed within this document.

Our Environmental Performance

Climate Risks and Opportunities

We have adopted an Environmental Policy, which provides a summary of our dedication and efforts to safeguard the environment and minimize our global footprint. We strive to continuously improve our business operations to reduce our impact on the local and global environment by conserving energy, water, and other natural resources, minimizing waste generation, promoting recycling, and minimizing our use of toxic materials. We use a risk-based approach to evaluate the environmental impact throughout our value chain. Please refer to Charters & Policies under the Corporate Governance section of our Investor Relations webpage to read such policy.

Energy & Climate

Climate Change

We understand that our activities contribute to climate change and recognize our responsibility to reduce our impact on the environment.

We regularly assess risks and opportunities to our business, which may include those driven by climate change. Ultimately, the oversight of DXLG’s climate-related risks and opportunities is provided by our Board of Directors. The Nominating and Corporate Governance Committee of our Board is responsible for the oversight of our sustainability initiatives, with regular updates and presentations to the full Board. Please refer to the Corporate Governance section of our proxy statement filed with the Securities and Exchange Commission for more details.

Total Energy Use by Type (in MWh)	FY 2024	FY 2023	FY 2022	FY 2021	FY 2024 vs. FY 2023 % Change
Total Energy Use	39,811	39,431	41,689	41,543	1.0%
Fuels	10,934	10,707	11,376	11,003	2.1%
Natural Gas	10,898	10,667	11,326	10,986	
Diesel	36	40	49	17	
Purchased Electricity	28,877	28,724	30,314	30,540	0.5%
Energy Intensity (MWh per million USD sales)	85.2	75.6	76.4	82.3	12.8%
Total Energy Use (as a percentage):					
Non-renewable energy	100.0%	100.0%	100.0%	100.0%	
Renewable energy	0.0%	0.0%	0.0%	0.0%	

In fiscal 2024, our total energy use increased 1.0% as compared to fiscal 2023. A discussion of our energy use by facility type follows. Energy intensity for fiscal 2024 increased 12.8% as compared to fiscal 2023, primarily due to the deleveraging of sales, which decreased 10.5% as compared to fiscal 2023. Approximately 73% of our total energy usage was from purchased electricity, with the remaining 27% from fuels.

Fuel Energy Use by Facility Type (in MWh)	FY 2024	FY 2023	FY 2022	FY 2021	FY 2024 vs. FY 2023 % Change
Total Fuel use	10,934	10,707	11,376	11,003	2.1%
Corporate office and distribution center	3,232	2,205	2,076	2,246	46.6%
Retail Stores	7,702	8,502	9,300	8,756	(9.4)%

The increase in the fuel energy used in our corporate office and distribution center in fiscal 2024 as compared to fiscal 2023 reflects higher usage due to a colder winter and also reflects the replacement of a gas meter that was inaccurately recording usage. As a result, our gas usage in the prior years was likely understated, although it is not determinable.

Electricity Use by Facility Type (in MWh)	FY 2024	FY 2023	FY 2022	FY 2021	FY 2024 vs. FY 2023 % Change
Total electricity use	28,877	28,724	30,314	30,540	0.5%
Corporate office and distribution center	2,054	2,285	2,546	2,477	(11.2)%
Retail Stores	26,823	26,439	27,768	28,063	1.4%
Electricity Intensity (MWh per million USD sales)	61.8	55.0	55.5	60.5	11.0%

Greenhouse Gas (“GHG”) Emissions

GHG Emissions (in Metric Tons CO ₂ eq ¹)	FY 2024	FY 2023	FY 2022	FY 2021	FY 2024 vs. FY 2023 % Change
Total Scope 1 and 2 Emissions	12,405	12,818	13,626	12,844	(3.2)%
Scope 1 Emissions	2,683	2,545	2,911	2,035	5.4%
Natural Gas	1,975	1,931	2,053	1,991	
Diesel	10	10	13	4	
Refrigerants (Canton Facility)	39	11	11	40	
Refrigerants (stores)	660	593	834	n/a ²	
Scope 2 Emissions³	9,721	10,273	10,716	10,808	(5.4)%
GHG Intensity (Metric tons CO ₂ eq per million USD sales)	26.6	24.6	25.0	25.4	8.0%

Our GHG emissions for fiscal 2024 decreased by 3.2% as compared to fiscal 2023 due primarily to our Scope 2 emissions, which decreased due to a combination of reduced electricity usage in our corporate office and a decrease in emission factors⁴ across several regions, partially offset by new stores. The GHG figures in the above table cover all DXLG operations with the exception of an overseas office which was omitted due to its small size, and include 294 and 285 retail and outlet stores that were open at any time during fiscal 2024 and fiscal 2023, respectively, as well as the corporate office and distribution center (the latter two together constitute the “Canton Facility”). The data includes diesel, natural gas and electricity use and fugitive emissions of refrigerants. Some data was estimated, most notably for stores that have since closed. The GHG emissions calculations have been conducted in line with the GHG Protocol Corporate Standard, Revised Edition, to the extent possible. Emission factors were sourced from U.S. Environmental Protection Agency (EPA). For fiscal 2022 and fiscal 2021, the Canadian Official GHG Inventory was used for two stores, which have both since closed.

Renewable Energy

DXLG sources all electricity from the grid. While we are not directly involved in the generation or procurement of renewable energy, our Canton Facility energy provider supplies us with an

¹ Metric Tons CO₂eq = activity data (fuel consumption or refrigerant refill) * emissions factor. Data for refrigerant refill was based on invoicing for 284 stores, 271 stores and 268 stores, respectively, for fiscal 2024, fiscal 2023 and fiscal 2022 but excludes data for 10 stores, 13 stores and 18 stores, respectively, which are contracted for service through respective landlords or for which sufficient data was not available.

² Data regarding scope 1 emissions for refrigerants at retail stores was not determinable in fiscal 2021.

³ Location-based

⁴Per the EPA, the 2025 annual update of the Emission Factors Hub (January 2025) included updates to emission factors for purchased electricity from eGRID, mobile combustion, upstream and downstream transportation, business travel, product transport, and employee commuting. Source:

<https://www.epa.gov/climateleadership/ghg-emission-factors-hub>

electricity mix that includes approximately 43% carbon-free electricity from solar, wind and other eligible sources, per Massachusetts requirements.

Energy Conservation and GHG Reduction

DXLG is constantly evaluating opportunities to reduce energy and GHG emissions at stores and our Canton Facility. Over the past four fiscal years, we realized noticeable energy savings by adapting heating and lighting to lower occupancy levels driven by the COVID-19 pandemic. Since fiscal 2022, the Company has had a hybrid work policy for those associates at our Canton Facility, pursuant to which the corporate office is open to all associates on Tuesdays and Wednesdays and associates are encouraged to be in the office on those days.

When replacing equipment under our control, such as HVAC units or conveyor motors, we take environmental performance into account. All light fixtures in our Canton Facility are dimmable LED fixtures.

GHG Emissions from Transport and Logistics

DXLG does not own any vehicles, but we lease one van at the Canton Facility⁵. Transport and logistics needs are met by engaging with specialized service providers. We do not account for these outsourced emissions under our current boundaries, which are limited to scope 1+2. We intend to take a closer look at the fuel efficiency and carbon emissions resulting from transport in the future in conjunction with our carriers.

Other Air Emissions

DXLG does not emit any meaningful quantities of Nitrogen Oxides (“NOx”) or Sulphur Oxides (“SOx”) in its own operations.

Product Sustainability –

We have started the process of gathering our GHG Emissions by factory through our LRQA audits so we can start to report on our environmental footprint in the future.

⁵ We currently do not track GHG emissions from this van, which has limited usage, such as a daily run to the post office.

Water and Waste & Recycling

Water Use

All water is withdrawn from the municipal water supply. We estimate that approximately 2% or less is lost to evaporation on site by a cooling tower and other activities. The remaining 98% is discharged into the municipal sewer. The water quality of all discharge can be considered household-like. Water discharge is not treated by us. We are not aware of any incidents of non-compliance with water quality standards or regulations in our own operations.

Water Use (in gal) ⁶	FY 2024	FY 2023 ⁷	FY 2022	FY 2021
Water withdrawn	659,736	766,700	543,048	477,257
Water consumed	~ 2%	~ 2%	~ 2%	~ 2%
Water discharged	~ 98%	~ 98%	~ 98%	~ 98%

Waste & Recycling

We are continually working to improve our sustainable footprint through several programs and initiatives focused on waste reduction and purchasing recycled products. We hope to inspire our associates and customers to increase sustainability awareness and initiatives beyond our footprint. Our Workplace Environment Committee engages with our associates throughout the year to raise awareness and educate our associates on ways to reduce our internal use of consumables and natural resources. We have several recycling and waste management initiatives at our corporate office and distribution centers. For example, we are reducing our use of office paper products and plastics, we recycle aluminum cans and glass and work with strategic allies to reuse electronic equipment before recycling, as well as disposal of non-recyclables with an on-campus composting site.

A substantial portion of our work processes and reporting functions are paperless. Paperless reporting eliminates the need for printing, which conserves resources like ink and toner and reduces electricity consumption. It also has significantly decreased the amount of paper waste generated, lessening the burden on landfills.

We also seek to minimize the impact on the environment by reducing the waste we produce in connection with the manufacture, distribution and sale of our products.

In our distribution center, we have placed special emphasis on sizing our packaging appropriately, avoiding excess packaging. We also strive to recycle as much material as possible. We engage a local service provider to send a significant portion of the remaining waste to a waste-to-energy facility. We are not producing hazardous waste in meaningful quantities in our own operations.

⁶ This data only includes the Canton Facility. Data on water use by stores is currently not available.

⁷ In fiscal 2023, a slab leak led to an increase in water withdrawal, but we cannot quantify the impact of the leak. The leak has been fixed.

Waste Generation and Disposition* (in kilopounds, presented in 000's)	FY 2024	FY 2023	FY 2022	FY 2021
Total waste generated	1,444	1,716	1,780	1,576
Cardboard	1,297	1,417	1,547	1,400
Office Paper	2	7	9	22
Other	145	292	224	154
Waste diversion rate	94%	92%	94%	95%
Total waste diverted	1,361	1,585	1,665	1,492
Recycled	1,322	1,457	1,579	1,422
Other	39	128	86	70
Total waste disposed	83	120	115	84
Incinerated (w/ energy recovery)	73	99	94	74
Landfilled	10	21	21	10

*The scope of this data is limited to our Canton Facility. Data about our stores is not available.

Recycled Plastics – Shipping Materials

In conjunction with the companies in our supply chain, at the beginning of fiscal 2022, we introduced an initiative to substitute conventional polybags with an alternative bag made from recycled plastics. In fiscal 2024, approximately 97% of our private-label volume was shipped in polybags made from recycled plastics.

Inventory Waste and Circularity Programs

Through our relationships with Good360 and BLUE JEANS GO GREEN, we are able to donate our sample merchandise and recycle denim, reducing our impact on landfills while also providing charitable organizations with much needed merchandise.

In early fiscal 2025, we introduced the Fit Exchange by DXL program that provides our customers with the ability to come to one of our stores and donate clothes that no longer fit in exchange for a discount. We then work with local charities to donate the clothing on behalf of our customers.

Our Associates

People-First, Purpose-Driven

We are a People-First organization that believes in inclusion, belonging, connection, understanding, a strong culture, and quality leadership, all while defending the rights of our associates. We provide equal employment opportunities to all associates and applicants for employment and prohibit discrimination and harassment of any type without regard to race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity or expression, or any other characteristic protected by federal, state, or local laws.

A copy of our Human Rights Policy is available on our investor relations website under Corporate Governance – Charters and Policies at <https://investor.dxl.com/>.

Since 2017, we have had an initiative called "Normalizing the Brand." Under that umbrella, our "Including You!" committee delivers programs to raise awareness of unconscious bias and highlights the benefits of inclusion, diversity, and belonging in the workplace for all of our associates. We have policies, required training, and other educational resources in place related to anti-discrimination, anti-harassment, and belonging. Our associates also have access to an anonymous hotline for reporting concerns. A cross-functional committee helps steer and further develop this program.

In 2021, we joined the SHRM CEO Action for Inclusion & Diversity, which is a coalition of over 2,500 CEOs pledging to promote inclusion and diversity in the workplace. By joining the SHRM CEO Action for Inclusion & Diversity, we pledged to cultivate an environment of belonging and genuine connection for every member of our team, guests, and communities in which diverse perspectives and experiences are welcomed and respected.

We also advanced our dedication to creating a diverse and inclusive workforce by teaming up with Circa in December 2023. Diversity Jobs, powered by Circa, is the industry's largest talent acquisition and diversity recruiting solution and this relationship ensures open positions are posted on job boards across the country. In addition to a focus on recruiting, Circa also offers support and access to extensive content and resource libraries containing articles, guides, and templates promoting continued learning by offering live and on-demand webinars on a variety of diversity, inclusion and educational topics.

Workplace, Culture, and Career Development

We are committed to providing our associates with an environment where they have the opportunity to offer input on issues affecting the Company's workforce and the employer-associate relationship. Periodically throughout the year, we encourage feedback and ideas from our associates through our annual engagement surveys, organizational performance profile survey, and the always-available "What's on Your Mind" feedback link in stores. The information gathered through these channels helps us make a positive impact on our associates' work experience and overall organizational culture.

All associates are invited to participate in multiple employee resource groups, which exist to foster a positive culture and a sense of belonging through internal networking, mentoring, and development opportunities.

Perhaps most importantly, we promote professional development, career growth, and mentorship programs. Since 2014, we have offered our associates the opportunity to participate in our DXLG Mentor Program, which pairs mentees with mentors for one-year periods. The DXL Leadership Group was formed in fiscal 2016 with a mission of "Associates supporting, educating, and empowering each other @ DXLG." It started as a pilot program and quickly expanded to include over 40 leaders, including both people and process managers, located in the corporate office and the field.

In addition to our learning management system, which provides a wide array of online learning opportunities, we also engage with Leadercast, which provides a platform that offers additional online leadership training as well as content for in-person shared events. In fiscal 2024, we continued to focus on development by launching a New Manager Cohort, designed for associates new to supervising others. This program provides associates with an opportunity to learn together and from each other on a variety of leadership topics.

Our Associate Engagement & Development Committee organizes a series of "Lunch, Learn, Lead" and "Coffee Talk" sessions throughout the year to provide our associates with opportunities to learn as a group and gain insight on a variety of topics, such as leadership, DXL's social responsibility initiatives, financial well-being, TED Talks, department-specific learning, inclusion and belonging, technology, and more.

To give associates the opportunity to continue their formal education, we have teamed up with Marist College to provide a 25% discount on online tuition costs for our DXL associates and their immediate adult family members.

Fostering Inclusion

Our Culture Committee and its subcommittees are cross-functional and focuses on creating a welcoming community where associates feel appreciated, are engaged and can openly share their thoughts and aspirations. The subcommittees include:

- Associate Engagement and Development – to provide opportunities for development.
- Communications/Newsletter – to build cross-functional communication.
- Core Value Recognition – to instill, promote, recognize and celebrate associates who exemplify our core values: Innovative - Trustworthy - Empowered - Team Oriented – Inclusive.
- Activity – to organize fun, social and team-building events for our associates.
- Workplace Environment and Community Outreach – to improve our workplace surroundings, support a green environment and sponsor community outreach programs.
- Partners in Hope – to build awareness, coordinate fundraising activities and sustain our ongoing St. Jude Children's Hospital Campaign.
- Including You! – to bring awareness to unconscious bias, encourage open communication and ensure that our work environment is inclusive and welcoming for all associates.

Throughout the year, we encourage feedback and ideas through our annual engagement surveys, periodic pulse surveys, and third-party surveys (i.e., Glassdoor). In 2024, we asked

over 1,000 associates to participate in our annual engagement survey and achieved a 70% participation rate. Over 81% of the responses to individual questions were positive -- either “strongly agree” or “agree”. Our overall Glassdoor score is consistently higher than the average retail score of 3.4 and as of May 2025 is 3.8. We are extremely proud that our culture score is 4 and our diversity & inclusion score is 4.2. We are dedicated to learning from the results of these feedback methods and to use the information obtained to continuously improve the associate experience.

Pay Equity

In the latter half of 2021, Korn Ferry was hired to evaluate every position at our corporate office, from entry level to the CEO, and, using their job leveling methodology, create a career framework of job levels based on scope, complexity, and responsibilities of each role. In addition, Korn Ferry reviewed our compensation philosophy, base salary ranges and bonus opportunities for each of the newly created job levels.

The study was completed in early 2022, and the use of job levels has helped us to ensure that all associates are properly compensated given their role within the Company and helps to strengthen our equitable pay initiatives. In addition, as a result of this new framework, in fiscal 2022, we expanded participation in our Annual Incentive Plan to include associates at the manager and senior associate level, enabling a greater number of associates to participate in our formal incentive performance program. At the beginning of each fiscal year, we conduct a pay range analysis using Korn Ferry data to ensure that compensation remains equitable.

In fiscal 2022, we hired Jackson Lewis P. C. to perform another pay equity analysis of our full workforce, including our distribution center, our guest engagement center, stores nationwide and corporate office. The study focused on statistical trends within pay analysis groupings of associates to evaluate potential risks of systemic or class-based discrimination within our compensation system, of which no material risks were noted. In fiscal 2025, we are currently in the process of completing an updated pay equity analysis.

Compensation and Benefits

Our compensation programs are designed to pay our associates competitively in the market, based on their skills, qualifications, role, and abilities. Our benefits are designed to help our associates and their families stay healthy and help them balance their work and personal lives. These benefits include health and wellness, paid time off, employee assistance, competitive pay, career growth opportunities, paid volunteer time, product discounts, and a culture of recognition. The challenges created by the global pandemic brought mental health awareness to the forefront. We are continually looking for programs and opportunities to offer our associates to ensure physical and mental wellness. We also highlight mental health awareness as part of our “Lunch, Learn, Lead” series and provide other relevant content within our learning management system. Additionally, we offer an Employee Assistance Program, which provides 24/7 assistance to associates and their family members for a variety of issues such as stress, family, parenting, and finances.

In October 2022, we added a new voluntary benefit *DailyPay*, which allows our associates to access their money as they earn it, instead of having to wait until their payday to access their funds.

Demographics

Board of Directors Demographics

FY 2024	Board Members	%
Total Number	7	
Gender		
Male	4	57%
Female	3	43%
Other		0%
Race		
American Indian or Alaskan Native		0%
Asian		0%
Black or African American		0%
Hispanic/Latino	1	14%
Native Hawaiian or Other Pacific Islander		0%
Two or More Races		0%
Unknown		0%
White	6	86%
Age		
Under 30 years old		0%
30-50 years old		0%
Over 50 years old	7	100%

Associate Demographics. All associates reported below are located within the United States. The Company has three associates located in Hong Kong, China that are excluded from the below detail.

FY 2024	All employees	%	Executives and Senior Managers	%
Total Number	1461		13	
Gender				
Male	710	49%	9	69%
Female	751	51%	4	31%
Other		0%		0%
Race				
American Indian or Alaskan Native	12	1%		0%
Asian	25	2%		0%
Black or African American	313	21%		0%
Hispanic/Latino	208	14%		0%
Native Hawaiian or Other Pacific Islander	11	1%		0%
Two or More Races	49	3%		0%
Unknown		0%		0%
White	843	58%	13	100%
Age				
Under 30 years old	258	18%		0%
30-50 years old	581	40%	4	31%
Over 50 years old	622	43%	9	69%

	Breakout by Function							
FY 2024	Corporate Functions	%	Distribution Center	%	Store Leadership	%	Store Associates	%
Total Number	282		88		285		793	
Gender								
Male	98	35%	52	59%	130	46%	421	53%
Female	184	65%	36	41%	155	54%	372	47%
Other		0%		0%		0%		0%
Race								
American Indian or Alaskan Native		0%		0%		0%	12	2%
Asian	11	4%	2	2%	4	1%	8	1%
Black or African American	16	6%	53	60%	59	21%	185	23%
Hispanic/Latino	17	6%	13	15%	30	11%	148	19%
Native Hawaiian or Other Pacific Islander	1	0%	1	1%	2	1%	7	1%
Two or More Races	6	2%	1	1%	7	2%	35	4%
Unknown		0%		0%		0%		0%
White	231	82%	18	20%	183	64%	398	50%
Age								
Under 30 years old	35	12%	4	5%	11	4%	248	31%
30-50 years old	110	39%	33	38%	129	45%	320	40%
Over 50 years old	137	49%	51	58%	145	51%	225	28%

Women in Management

Fiscal 2024	
Senior Leadership Team	30.8%
Vice Presidents	34.3%
Directors	48.8%
Managers	57.1%

Associate Turnover

Voluntary and involuntary turnover percentage of in-store employees.

Fiscal Year	Voluntary Turnover %	Involuntary Turnover %
2022	48.75%	8.98%
2023	44.82%	7.33%
2024	42.95%	7.97%

Health & Safety

Associate safety and well-being are a critical component of our culture. We have a comprehensive employee safety program along with policies and procedures that support this initiative. Our safety manual provides direction and best practices for ensuring associate safety. We take pride in the preventative measures we take, including evacuation/shelter-in-place drills as well as our relationship with certified safety experts who help us proactively address potential risks and assist us in the creation of training modules to roll out to our associates. Policies are routinely communicated, and training is provided to associates, as appropriate.

Occupational Health & Safety Management

DXLG strives to provide a safe work environment that prevents injuries and keeps associates healthy. This commitment is outlined in the DXLG Safety Policy which applies to all associates. For each facility type, specific health & safety guidelines and policies help associates stay safe. We conduct regular safety training and evacuation drills and distribute a safety newsletter at our Canton Distribution Center. The Safety Committee reviews health and safety conditions and suggests improvements to management.

For store operations, the Retail Safety Training Booklet and safety checklists spell out specific procedures and expectations for this environment, for example box cutter safety, chemical inventory, first aid and the importance of our associates' safety in the event of workplace violence.

For suppliers, health & safety requirements are specified in the Vendor Manual and the Elevate Responsible Sourcing Standard. Depending on the location of the sites and risk, DXLG may also require Building, Fire, Electrical and/or Safety Assessments, which focus on risks associated with building structures.

Health & Safety Data

We routinely track and report health & safety data to OSHA. This data covers all our operations, including the Canton Facility as well as stores. The Company is continually looking for training opportunities it can provide to reduce the incidence rate within its stores. There were no fatalities in any year reported below:

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Incidence Rate⁸:					
Canton Facility	0.82	1.00	0.58	--	0.82
Stores	2.75	2.66	2.93	2.55	4.74
Total recordable cases	2.12	2.10	2.21	1.67	3.39
OSHA rate for 'Clothing Stores'	1.60⁹				

⁸ Number of injuries and illnesses * 200,000/Employee hours worked = Incidence Rate. There were no fatalities in any period. The prior years have been recalculated to agree to OSHA's definition of "recordable claims" calculated on actual hours worked. The 200,000 figure in the formula represents the number of hours 100 employees working 40 hours per week, 50 weeks per year would work, and provides the standard base for calculating incidence rate for an entire year.

⁹ Based on NAICS code 4481, incidence rates of nonfatal occupational injuries and illnesses, 2023. As calculated on the same basis as described in footnote 8 above.

Employee Training & Engagement

Employee Training

DXLG supports associates with bespoke training and development programs that enable them to develop skills they need to succeed. These programs include:

- Specific on-the-job training for new store managers
- Regional Sales Manager (RSM) mentorship program
- DXL Women's leadership group
- DXLG Mentor Program, which, each year, pairs mentees with mentors.
- Leadership Coaching supported by a digital platform
- Lunch, Learn and Lead events

In addition, DXLG provides broad access to a Learning Management System as well as to Leadercast, an external learning platform.

Responsible Supply Chain Management

Our Expectations

We expect our values and principles to be maintained throughout our business, including our supply chain. Our Vendor Code of Conduct, together with our Vendor Manual, define our expectations of our suppliers, and all our suppliers are required to agree to this code of conduct in writing to do business with us.

In fiscal 2019, we became a member of a leading ethical trade service provider to increase our social, environmental and ethical sustainability, and we participate in their Ethical Trade Audit platform. In fiscal 2020, we retained LRQA, formerly Elevate, a global leader in supply chain assessment, and instituted 4-Pillar audits of our supply chain factories. In fiscal 2023, we retained LRQA to also perform environmental assessment audits.

The Vendor Code of Conduct addresses our requirements on:

- Anti-Corruption, Freedom of association and collective bargaining
- Compensation and benefits
- Forced labor
- Child labor
- Human Trafficking
- Social Responsibility and Compliance Audits
- Environmental Policy
- Women's Issues
- Health & Safety
- Hours of Labor
- Discipline harassment and abuse
- Discrimination

A copy of our Vendor Code of Conduct, which was most recently amended in June 2024, is available on our investor relations website under Corporate Governance – Charters and Policies at <https://investor.dxl.com/>.

Through collaboration with LRQA, we are pursuing what we call a “5-Pillar Audit”, which includes traceability of both raw materials and the equipment used to produce finished goods. We take seriously the US Customs Border Protection (“CBP”) Withhold Release Order on Products Made in Xinjiang region of China released on January 13, 2021 and will be responsive to any inquiries. In response to the problems in Xinjiang, we developed a Compliance Certificate of Traceability for our cotton vendors.

Social and Environmental Compliance

We work closely with our tier-1, 2 and 3 vendors to understand and improve social and environmental performance throughout our supply chain. We follow a risk-based approach that takes into account country risk as well as individual vendor risk, a measure that is based on a vendor's past environmental and social performance, as well as other factors.

All tier-1 and tier-2 vendors are audited annually by a third party to our Vendor Code of Conduct, the ERSA standard or an equivalent, and includes a business ethics audit. Over the past two fiscal years, we have been able to further expand the external reporting for our tier 2 - mills. Comparable information for fiscal 2021 for our tier-2 vendors is not available. The following discussion does not include our tier-3 vendors for any period:

Supplier Information	FY 2024	FY 2023	FY 2022	FY 2021
Vendor factories (tier-1)	27	22	21	22
Mills (tier-2)	41	38	16	--
Total factories in scope	68	60	37	22

Country Risk

The following table summarizes the risk by country for all tier-1 and tier-2 for the past four fiscal years.

According to LRQA's published "*Supply chain ESG global risk outlook 2024*"¹⁰, globally, nearly half of the sourcing regions LRQA analyzed in 2023 showed higher overall supply chain risk than in 2022. This shift is consistent with the increase in our country risk rating for the past two years as compared to fiscal 2022.

Furthermore, over the past two years, we have also been able to expand our auditing and reporting to include our tier-2 factories, many of which are in high-risk countries.

Country Risk Rating¹¹

Factories in:	FY 2024		FY 2023 ¹²		FY 2022		FY2021	
	Number of factories	Share of Purchase Spend	Number of factories	Share of Purchase Spend	Number of factories	Share of Purchase Spend	Number of factories	Share of Purchase Spend
'low risk' countries			-	-	7	26%	7	21%
'medium risk' countries	1	3%	3	2%	15	58%	9	67%
'high risk' countries	67	97%	57	98%	15	16%	6	12%
'extreme risk' countries			-	-	-	-	-	-
Total	68	100%	60	100%	37	100%	22	100%

¹⁰ Refer to the Company's website: <https://www.lrq.com/en/resources/supply-chain-esg-global-risk-outlook-2024/>

¹¹ Country Risk is provided by LRQA and is based on their geography ESG risk ratings, which consists of a comprehensive overview of the highest-risk regions against more than 38 critical ESG metrics. These metrics are categorized under LRQA's five supply chain pillar categories: labor, health and safety, environment, business ethics, and management systems.

¹² The share of purchase spend for fiscal 2023 for this table and the following tables was recalculated to be based on the total of purchase spend, on a cost basis, for both vendors and mills.

Vendor Audits

In accordance with our Vendor Manual, our vendors must achieve an audit score of C or better. The scores are determined by LRQA in accordance with their audit guidelines. For those vendors that receive a D rating, they are provided with a remediation period to resolve all critical issues identified. At which time, the Company will make a decision to either audit the non-compliance or perform a complete full audit. As noted below, 11 vendors received a D-rating in fiscal 2024. Of the 11 vendors, 7 have completed remediation and 4 are in the process of completing remediation.

Social Audits

The following discussion is a summary of the results of the social audits conducted during the last three completed fiscal years. As discussed above, our program continues to expand, with 61 of our tier-1 and tier-2, representing 99% of our purchase spend, having an annual audit, as compared to 35 of our tier-1 and tier 2 vendors in fiscal 2022.

Vendors by Audit Status	FY 2024		FY 2023		FY 2022	
	Number of Vendors	Share of Purchase Spend	Number of Vendors	Share of Purchase Spend	Number of Vendors	Share of Purchase Spend
Audit current	61	99%	52	98%	35	84%
Audit overdue or new vendor	7	1%	8	2%	2	16%
Total	68	100%	60	100%	37	100%

SOCIAL AUDIT	FY 2024		FY 2023		FY 2022	
	Number of vendors	Share of Purchase Spend	Number of vendors	Share of Purchase Spend	Number of vendors	Share of Purchase Spend
A	14	14%	7	7%	5	5%
B	21	41%	23	42%	19	58%
C	15	26%	12	36%	7	31%
D	11	18%	8	5%	-	-
other	-	0%	2	7%	-	-
Audit overdue or new vendor	7	1%	8	3%	6	6%
Total	68	100%	60	100%	37	100%

Audit Findings	FY 2024	FY 2024	FY 2022
Number of priority non-conformances identified	11	22	13
Priority non-conformance rate	0.18	0.42	0.33

Audit Findings and Corrective Actions completed by Topic for Fiscal 2024	# of priority non-conformances identified	% corrected through corrective action¹³
# of priority LABOR non-conformances	6	83%
# of priority HEALTH & SAFETY non-conformances	1	-
# of priority BUSINESS ETHICS non-conformances	4	75%
# of priority MGMT SYSTEMS non-conformances	-	-
# of OTHER priority non-conformances	-	-
Total	11	73%

Environmental Audits

In fiscal 2023, we started performing environmental audits for our tier-1 factories, in addition to our existing social audits and further expanded those audits during fiscal 2024. Our audits cover environmental issues and management of energy, greenhouse gas emissions, waste, resources and hazardous substances.

The following are the results of our initial audits that were completed since we started these audits in fiscal 2023:

Environmental Audit	FY 2024		FY 2023	
	Number of vendors	Share of Purchase Spend	Number of vendors	Share of Purchase Spend
A	19	49%	7	26%
B	7	12%	5	21%
C	5	16%	1	6%
D	-	-	-	-
Total	31	77%	13	53%

Each environmental audit consisted of a review for non-compliance in the following areas:

- Transparency and Business Integrity
- Permit and Management systems
- GHG Emissions and ODS
- Water and Wastewater
- Air Emissions
- Solid Waste
- Restricted Substances.

There were no incidences of priority non-conformance identified in either fiscal 2024 or fiscal 2023.

¹³ Represents percentage of non-conformances that have been resolved or are currently in the process of remediation but are expected to be resolved in accordance with the Company's guidelines and timeframes.

Environmental Management Systems

Environmental Management Systems (“EMS”)*	FY 2024	FY 2023	FY 2022
Share of factories with certified EMS	46%	22%	25%
Share of USD volume procured from EMS certified factories	59%	29%	26%

Note: Data for fiscal 2024 and fiscal 2023 captures both tier-1 and tier 2 private-label factories. Fiscal 2022 was limited to our tier-1 private label factories.

Conflict Minerals

We have confirmed with our vendors and suppliers that no DXLG product in fiscal 2024 contained the conflict minerals tin, tantalum, tungsten and/or gold, per the U.S. Dodd-Frank Act.

New Vendors and Suppliers

A new vendor or supplier is first evaluated based on a number of criteria that includes, among other things, a risk assessment, product quality, speed to market, skill set, appropriate machinery, social programs for workers and sustainability efforts. A new vendor or supplier must also provide us with its most recent security, social and, beginning in fiscal 2023, environmental audits as well as a completed conflict mineral questionnaire. If a new vendor or supplier does not have a current audit that the Company can rely upon, we will request an audit be completed by LRQA prior to our accepting the new vendor or supplier.

Business Ethics and Compliance

Business Ethics & Compliance

We have a Code of Business Conduct and Ethics for our associates, and a Code of Ethics for Directors, Officers and Financial Professionals and a Human Rights policy. In addition, the DXLG Associate Handbook details the conduct expected from all associates on a broad range of issues, including compliance with laws, anti-discrimination, anti-harassment, equal opportunity policies, as well as policies on pay, sick leave, personal time and safety.

The General Counsel of the Company currently serves as the Company’s Compliance Officer and reports to the Chief Executive Officer. It is the responsibility of every people leader to ensure their teams adhere to the Code of Conduct and Business Ethics and the procedures outlined in the employee handbook.

Associates are required to sign a receipt of acknowledgement anytime any changes to the Associate Handbook are made, but at least annually. In addition, associates must also sign the Company’s Anti-Harassment Policy. Also, annually, we require our associates to sign off on the Company’s Code of Business Conduct and Ethics and our Board to sign off on the Code of Ethics for Directors, Officers and Financial Professionals.

DXLG provides ad hoc training to the exposed functions, such as the Global Sourcing team, including on the Foreign Corrupt Practices Act (which includes anti-corruption and anti-bribery matters).

Our Business Abuse Hotline

Any employee can report instances of non-conformance with the Code of Conduct, Associate Handbook or other concern to the Business Abuse Hotline. In fiscal year 2024, there were 5 such calls to the Business Abuse Hotline. Any call to the hotline may be made anonymously. All complaints were internally reviewed, and appropriate action was taken to resolve the respective issue.

Any material fines or legal proceedings would be detailed in our annual filings with the Securities and Exchange Commission. In fiscal 2024, DXLG was not levied any fines due to violations of anti-bribery, anti-corruption, or anti-competitive standards.

Regulatory Compliance with Labeling and Marketing

During fiscal 2024, the Company did not receive any notices of violations for non-conformance with regulatory labeling and/or marketing codes.

During fiscal 2024, the Company had no legal and regulatory fines, settlements, or enforcement actions associated with false, deceptive, or unfair marketing, labelling and advertising.

Lobbying and Political Advocacy

While DXLG may from time to time participate in the political process to further our interests, DXLG has not made any donations for political purposes or paid any lobbyists in the last five years, beyond trade association membership fees.

Key Trade Association Memberships include the National Retail Federation and the American Apparel & Footwear Association (AAFA), including active participation in the majority of AAFA's committees, subcommittees, councils and working groups, such as the Social Responsibility Committee, the Environmental Committee, and the Forced Labor Working Group.

Philanthropy

Partners in Hope

We have partnered with St. Jude Children's Research Hospital for more than 20 years, with our associates and customers raising over \$20.0 million dollars since 2005. In 2017, we made a pledge to raise \$12 million in ten years. That pledge was fulfilled in 2024, but our fundraising activities and partnership with St. Jude continues. The money raised has helped to support the families of St. Jude as well as fund cancer research. In the past, DXL has funded initiatives like the Light Microscopy Center, a shared resource lab on the St. Jude campus where researchers find cures to life-threatening pediatric diseases.

Our associates support St. Jude in several ways, including spending time with patients and their families at the hospital. Every September, DXL associates nationwide participate in the St. Jude Walk/Run to End Childhood Cancer, with DXL being named top team in 2019. In all, DXL has helped to raise over \$1.5 million in the last 10 years of the Walk/Run event.

In addition to the annual Walk/Run event, our associates participate throughout the year in campaigns, events, and have the ability to donate directly to St. Jude through payroll deductions. Visit our website for more information regarding our partnership with St. Jude: <https://www.dxl.com/st-jude/cat320030>.

Good360

For ten years, we have worked with Good360, a global leader in product philanthropy and purposeful giving, working with some of the world's large corporations to source essential goods and distribute them throughout their network of diverse nonprofits. Sample merchandise and any excess inventory is donated, on average, twice a year.

Volunteer/Community Involvement

The Company encourages associates to take an active part in civic affairs and worthy charitable activities. One paid day of volunteer service time is granted per fiscal year for eligible associates to voluntarily participate in volunteer service activities for 501(c)-(3) community service organizations that serve the needs of the community and support the personal interests of our associates.