



## **VENDOR CODE OF CONDUCT**

Destination XL Group, Inc. (hereinafter referred to as "DXL") is dedicated to promoting good corporate citizenship throughout its business relationships. Therefore, DXL demands that its vendors, including those outside of the United States (collectively referred to as "Vendor" or "Supplier" interchangeably), adhere to standards of business practices that are in line with this principle. Specifically, DXL requires its Vendors to comply with the following standards:

### **Compliance with Applicable Laws**

All Vendors must adhere to the legal requirements and standards of their industry as per the national laws of the countries where they operate. This includes compliance with the labor and employment laws of those countries and any relevant international laws. In case of a conflict between legal requirements and industry standards, Vendors must comply with the legal requirements of the countries where the products are manufactured for DXL, at a minimum. However, if the industry standards exceed the country's legal requirements, DXL will favor Vendors who meet those heightened standards. Vendors must also comply with all the requirements of applicable governmental agencies.

### **Human Rights and Employment Standards**

#### **CHILD LABOR**

DXL has a strict policy against the use of child labor in the manufacturing of any products that it sells. We do not conduct business with any Vendor who employs child labor in any form, including contracting, subcontracting, or any other business relationships for the manufacture of their products. No individual shall be employed below the age of fifteen (15), except where the law of the country of manufacture allows employment of individuals below the age of fifteen (15), in which case the minimum age for employment shall be determined by the law of the country of manufacture.

Proof of Age documentation - The Supplier shall maintain official documentation for every worker that verifies the worker's date of birth. In countries where independent documents, birth certificates, or government-issued IDs are not available, the Supplier shall use some independent means for determining a worker's age (that is, medical assessment of development, other medical or religious records, or other means considered reliable in the local context).

- Suppliers are required to follow all relevant rules and procedures regarding government permits and parental consent documentation, where applicable by law. They must also keep all relevant documentation on-site for inspection at all times.
- Childcare facilities must be separate from production areas, and children should not have access to production areas. Also, children who are under the local minimum age should not be allowed in the factory area at any time unless it is part of a guided tour or other unusual event (not involving production)

- Facilities employing young workers (workers between the ages of fifteen (15) and eighteen (18)) must follow all applicable laws and regulations concerning juvenile/young workers. This includes regular medical checks, proof of age documentation, complying with reduced work hours, night work regulations, and overtime limitations.
- No person under the age of eighteen (18) should undertake hazardous work. Suppliers should have a system for identifying workstations and operations that are inappropriate for young workers according to applicable laws. Also, workers between the ages of fifteen (15) and eighteen (18) should wear a badge or uniform that identifies them as young workers.
- Suppliers must comply with all regulations and requirements of apprentice or vocational education programs. They should be able to provide documentation that these are legally recognized programs. No informal arrangements of any kind are acceptable.

## **HUMAN TRAFFICKING AND SLAVERY IN THE SUPPLY CHAIN**

DXL strictly prohibits any form of forced, prison, or bonded labor. Vendors must ensure that their workers are employed voluntarily. DXL will not purchase products from Vendors who use forced labor in any way during the manufacturing process, or in any of their contracting, subcontracting, or other relationships. Any Vendor who fails or refuses to comply with these standards is subject to immediate cancellation of any and all outstanding orders, refusal or return of any shipment, and termination of its business relationship with DXL.

The expectations outlined in this ethical sourcing policy are guided by the following international human rights and labor standards frameworks, and we expect that our Suppliers will respect these internationally recognized human rights:

- The United Nations Guiding Principles on Business and Human Rights,
- The Ethical Trading Initiative (ETI) base code, and
- The International Labour Organization (ILO) fundamental conventions concerning rights at work.

In addition, all workers must be employed voluntarily and shall have the freedom to end their employment at any time without any penalty, given reasonable notice. The terms of employment shall be those agreed upon voluntarily by the worker.

- Employment Terms - The Supplier shall provide written contracts of employment to all workers, including migrant or non-local workers. The contracts should be in a language the workers understand and indicate their rights and responsibilities regarding wages, working hours, and other working conditions. In case a worker is illiterate, the Supplier shall communicate the terms of the contract orally.
- Employers are required to provide migrant workers with their employment contract before they are deployed. It is strictly prohibited to use supplemental agreements or engage in contract substitution, which involves replacing an original contract or any of its provisions with those that are less favorable.
- Suppliers must exercise strict oversight when it comes to recruitment practices and ensure that any documents provided to prove that a worker is of adult age are thoroughly verified for authenticity. This includes verifying the proof of age documents provided by recruitment agents or training centers.
- The Supplier is prohibited from requiring workers to surrender or "deposit" their original passports, identity

papers, travel documents, any other personal legal documents, or other valuable items upon starting employment. The Supplier must provide secure storage for employee documents upon written request from the employee. This storage must be reasonably and easily accessible to workers at all times without duress or unnecessary restriction

- Annual human trafficking training is conducted for DXL home office associates, Hong Kong office, and DXL vendors/suppliers.
- Debt-bonded labor is prohibited; therefore, workers must not be charged any fees or expenses for recruitment, either directly or indirectly. This includes all costs related to travel, processing official documents, and obtaining work visas in both home and host countries.
- The Supplier is prohibited from withholding wages already earned by workers, imposing penalties that result in the repayment of wages, or punishing workers for terminating their employment for any reason. On the other hand, it is acceptable to offer bonuses to workers who fulfill the terms of their contract and meet reasonable conditions, such as regular attendance, punctuality, and maintaining good quality of work.
- Wage Advances - The amount of advances given to workers shall not exceed three months' pay or the legal limit, whichever is lower. To receive an advance, workers must follow the established factory rules that have been communicated to them. All advances must be properly documented, and their receipt and accuracy must be confirmed by the relevant worker in writing, through a signature, thumbprint, or similar means.
- Employees are not required to live in housing controlled by the Supplier. Non-local or migrant workers cannot be separated from general employee housing.
- Factory managers are prohibited from restricting the movements of workers who reside in company-provided housing. This means that they cannot monitor or chaperone workers without their consent. Workers must be free to leave the factory grounds at any time without fear of retaliation, and they cannot be required to perform any unpaid or mandatory overtime. This is known as the Freedom of Movement Supplier Controlled Residence policy.
- Suppliers are prohibited from imposing unreasonable restrictions on toilet use, such as limiting the frequency or duration of use or restricting access to water. If workers express concerns about the safety of the areas surrounding their living quarters, factory management should provide resources to facilitate worker-led strategies for mutual protection and security. Employees should be allowed to receive visitors in their living quarters, subject only to reasonable rules established by the Supplier regulating night-time access.

## **SOCIAL RESPONSIBILITY AND COMPLIANCE AUDITS**

- DXL Group takes all aspects of Social Responsibility very seriously. All audits must pass with an Overall Grade C or better. Anything lower than a C must be remediated, either through LRQA or DXL, and a new audit with a passing result is the required outcome.
- As part of our ongoing commitment to ensuring decent and humane working conditions across our supply chain, we are requiring our suppliers to participate in our assessment program. We have selected LRQA, a leading business risk and sustainability solutions provider, to be our partner.

- We recognize that facilities face many challenges in implementing a social responsibility program. We want to understand your challenges. We expect from our suppliers a strong commitment to transparency. Your commitment can be demonstrated by openly sharing your challenges with our team and LRQA during the assessment and remediation process.
- DXL reserves the right to request additional extended audits covering any additional factory processes based on cultural changes.

## **ANTI-CORRUPTION, FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

Vendors must respect employees' right to free association and collective bargaining without interference or penalty. The freedom to associate with others and engage in collective bargaining is a fundamental right that DXL believes must be protected. Individuals and groups must be allowed to come together and negotiate for their rights and interests. This is crucial for promoting a fair and equitable society that respects the needs and perspectives of all its members. Without the freedom of association and collective bargaining, individuals and groups may be left vulnerable to exploitation and abuse, and their voices would be silenced, therefore Suppliers must ensure that these rights are inviolable.

- The Supplier must respect workers' right to unionize and collective bargaining, allowing union organizers access to employees.
- General Compliance Freedom of Association - Suppliers shall comply with all local laws, regulations, and procedures concerning freedom of association and collective bargaining.
- In countries like China, where freedom of association is restricted or decided by the state, Suppliers must ensure that they do not obstruct any parallel means of freely-elected representation. This includes allowing workers to gather, elect their representatives, and negotiate collectively without any fear of retaliation.
- Employees, including migrant or non-local workers, must be able to communicate with management about working conditions without fear of retaliation, intimidation, or harassment from any party involved.
- The Supplier must have a well-documented policy for handling and resolving grievances in the workplace, which should be communicated clearly to management and employees.
- Joint worker or management committees should have diverse representation, including workers from various departments, genders, and backgrounds.
- Suppliers are prohibited from interfering with workers' organizations, including attempts to dominate, finance, or control them.
- Suppliers are not allowed to deduct union membership fees or any other union fees from the wages of workers without obtaining their express and written consent. This is unless it is specified otherwise in freely negotiated and valid collective bargaining agreements.
- Suppliers are not allowed to interfere with the ability of workers to establish their constitutions and rules, freely elect their representatives, organize their administration and activities, and formulate their programs. This means that workers have the right to do all of these things without any interference from Suppliers.
- The Supplier is prohibited from negatively influencing or interfering with government registration processes or requirements for workers' organizations.

- Suppliers must not show any favoritism towards one workers' organization over another which would interfere with the workers' right to freedom of association.
- In cases where a single union represents workers, the Supplier shall not attempt to influence or interfere in any way in workers' ability to form other organizations that represent workers.
- Suppliers are prohibited from shifting production or closing a factory to prevent the formation of a union, or as a reaction to the formation of a union, or any other legitimate exercise of the right to freedom of association and collective bargaining, including the right to strike. They are also not allowed to do so in an attempt to break up a union. If a factory is closing and there is a suspicion that it is being done to prevent or hinder the legitimate exercise of the right to freedom of association, the Supplier must provide verifiable evidence that can be evaluated.

## **COMPENSATION AND BENEFITS**

Vendors must ensure that their employees are fairly compensated by providing wages and benefits that comply with the national laws of the countries where they operate. Such compensation should also be in line with the prevailing local standards but only if the local standards are higher than the national laws. Deductions from wages as a disciplinary measure are strictly prohibited. Vendors must ensure that any subcontractors they use also comply with these standards, if applicable.

- The Supplier must pay wages that meet at least the legal minimum or the local industry standards, whichever is higher, for a normal working week.
- The Supplier must ensure that overtime wages meet minimum legal or local industry standards for premium compensation rates.
- If a worker is paid on a piece rate, then they must receive payment for their normal and overtime work that meets at least the legal or local industry standards for compensation, whichever is higher. In case there are no legal or industry standards, the overtime piece rate wage must be paid at an appropriately higher rate than the piece rate wage paid for regular hours.
- The Supplier is required to provide the workers with a clear and understandable wage statement for every pay period. The statement should contain the number of days worked, the wage or piece rate earned per day, the number of overtime hours at each specified rate, bonuses, allowances, and legal or contractual deductions.
- Where legally allowed, "training" wages for any worker cannot exceed three months cumulatively.
- The Supplier is responsible for informing all employees, both verbally and in writing, about their wages, incentive systems, benefits, and bonuses to which they are entitled. This information must be conveyed in the language that the worker understands. Any form of misleading or dishonest practices related to wage commitments, payments, advances, or loans is prohibited.
- Time worked by all employees, regardless of compensation system, must be accurately documented using time cards or other reliable recording systems, such as electronic swipe cards.
- Workers are responsible for logging their hours by punching or swiping their time cards.
- The employer must accurately calculate, record, and acknowledge all forms of compensation, including hourly wages, piecework, bonuses, and incentives.
- All hours worked must be compensated with payment for the workers.

- Employers should not use wage deductions as a form of punishment or as a means to retain workers or their jobs. Additionally, employers cannot deduct wages from employees for services or goods provided, such as housing, meals, or supplies. The only deductions allowed are those that are legal and have the written consent of the employee.
- Workers shall not be held in debt bondage or forced to work to pay off a debt.
- Fraudulent Records: The Supplier is not allowed to use hidden or multiple payroll records to conceal overtime, falsely represent hourly wages, or for any other fraudulent purpose.
- Payment of Wages: All compensation must be paid within thirty (30) days of the due date, cannot be withheld to keep employees from leaving, and employees should have full control and access to their earned compensation.

## **DISCRIMINATION**

DXL acknowledges that different cultures have different norms and standards, but we firmly believe that employment terms and conditions should be based solely on an individual's ability to perform the job. Neither personal characteristics nor beliefs should be taken into account in this regard. DXL expects its Vendors to be socially and politically committed to ensuring that discrimination does not occur in hiring practices or any other aspect of work based on race, color, national origin, gender, religion, disability, or any other similar factor.

- It is important that employment decisions must be based solely on education, training and demonstrated skills or abilities. This includes, but is not limited to, hiring, job assignment, wages, bonuses, allowances, promotion, discipline, assignment of work, termination of employment, and provision of retirement. It is important to note that any individual's characteristics, such as race, gender, marital status, country of citizenship, and religion, should not be taken into consideration when making such employment decisions.
- Recruitment and employment policies and practices, including job advertisements, job descriptions, and performance/job evaluation policies and practices shall be free from any type of discriminatory bias.
- Sex-based wage discrimination is prohibited. Men and women workers should be paid equally for work of equal value. Remuneration, which includes wages, compensation, and any additional payments made directly or indirectly, whether in cash or in-kind, by the Supplier to the worker arising from the worker's employment should not differ based on gender. These additional payments may include wage differentials or increments based on seniority or marital status, cost of living allowances, housing or residential allowances, family allowances, benefits-in-kind such as the allotment and cleaning of work clothes or safety equipment, and social security benefits.
- Suppliers are prohibited from discriminating against individuals based on their marital status.
- Employees have the right to attend religious activities, engage in personal or social interactions, get pregnant, and exercise other legally protected rights or freedoms. Employers cannot prohibit these activities nor can they punish the employees for taking advantage of these activities.
- Suppliers are prohibited from making any employment decisions that negatively impact a person's employment status, including recruitment, termination, promotion, or work assignment, based on their health status. Such decisions can only be made if they are necessary to meet the inherent requirements of the job or to protect the worker and/or other workers due to medical reasons.
- Suppliers are permitted to require a routine medical examination to assess general fitness as a condition of

employment or continued employment. However, it is prohibited to test for any disease or illness, such as HIV/AIDS, that does not have an immediate effect on a person's fitness and/or is not contagious, as a means for discharging employees.

- Suppliers must ensure that workers' health status is kept confidential. They should not engage in any activity that could potentially compromise the confidentiality of workers' health status. This includes any form of screening, whether it be direct testing, indirect testing (such as assessing risk behavior), or questioning workers about past tests or medication.
- Suppliers are required to take reasonable measures to accommodate workers with chronic illnesses, including those related to HIV/AIDS. These measures may include rearranging working hours, providing special equipment, allowing rest breaks, providing time off for medical appointments, offering flexible sick leave, part-time work, and return-to-work arrangements.
- A Supplier's discriminatory actions, violence, harassment, or abuse on any grounds is prohibited.

## **HUMAN RIGHTS - DISCIPLINE, HARASSMENT OR ABUSE**

Vendors are required to ensure that their work environment is free of any form of harassment, abuse, or corporal punishment. Workers have the right to be treated with dignity and respect, and Vendors may not deny them these rights. Physical coercion and corporal punishment are prohibited. Additionally, Vendors must not engage in or tolerate sexual harassment, use abusive language or tone, make indecent or threatening gestures, or engage in any undesired physical contact.

- The Supplier must create a written policy for disciplinary actions and communicate it to all workers in a language the worker can understand. This policy should include a series of escalating steps, such as verbal warnings, written warnings, suspension, and termination. Any exceptions to this policy, such as immediate termination for theft or assault, must also be in writing and communicated to all workers.
- The Supplier must keep written records of all disciplinary actions taken.
- The Supplier is prohibited from using monetary fines as a means of disciplining workers.
- Each employee must be treated with dignity and respect. The Supplier is prohibited from engaging in or supporting any form of corporal punishment, mental or physical coercion, verbal abuse, threats of violence, or sexual harassment towards any employee or an employee's family members.
- Security practices must be designed to be gender-appropriate and non-intrusive.

## **HOURS OF LABOR**

Vendors must ensure that their employees work reasonable hours in accordance with the local standards and laws of the countries where they conduct their business. Unless there are exceptional circumstances, employees should not work more than 60 hours per week, including overtime, and must be given at least one day off in every seven days. Overtime must be voluntary. DXL will not engage with Vendors that require employees to work beyond the statutory requirements without appropriate compensation as mandated by the law. Employees should also be allowed to take reasonable breaks, lunch periods, bathroom breaks, and days off.

- The Supplier must ensure that they follow all local laws regarding working hours. Moreover, they should ensure that the total number of regular and overtime work hours for each employee does not exceed sixty (60) hours in seven days.

- The Vendor must provide workers, at a minimum, one day off during a seven-day work period.
- No workday shall exceed a combined total of 12 hours for regular and overtime hours.
- Workers must not be forced to work overtime, with or without pay.
- Overtime and Voluntary System - The Supplier must reduce overtime and implement a voluntary system, even for extraordinary business circumstances.
- Suppliers must ensure that positive incentive schemes are in place to encourage overtime and that workers are aware of them.
- The Supplier must maintain staffing levels that are reasonable and not rely heavily on overtime hours.
- Peak Periods - The allowable "Peak Period" will be determined in accordance with the law.
- Workers who have already completed a full day's work in one factory cannot be transferred to another section or factory to work a second shift at regular pay. Suppliers are not allowed to impose any unreasonable restrictions on workers' use of annual leave.
- The Supplier decides the timing of annual leave in consultation with the worker, considering work requirements and opportunities for rest and relaxation for the worker.
- Annual and Holiday Leave - Workers shall be provided annual leave and holidays as required by law or which meets the local industry standard, whichever is greater. Any restrictions or procedures that apply in your workplace must comply with local laws and regulations. For example, some workplaces may require a minimum period of service before allowing workers to use their annual leave, or written requests to be submitted a certain time before the annual leave is taken. Whatever the case may be, all workers must be fully informed about any such restrictions or procedures.
- Suppliers must not retaliate against workers for taking any type of leave, including annual, sick, maternity, or other leave, in accordance with applicable rules and procedures.
- Suppliers must provide sick leave to workers under local laws, regulations, and procedures.
- Suppliers are prohibited from imposing excessive limitations on sick leave. Any factory regulations or procedures related to sick leave, including informing the supplier promptly, providing medical certificates, utilizing specified doctors or hospitals, and so on, must comply with local laws, regulations, and procedures. Furthermore, all employees should be fully informed about such procedures.
- Calculating Absences—Absences from work that occur due to reasons outside of a worker's control, such as sick leave or periods of suspended factory operations, will not be counted towards annual leave. Additionally, they will not be deducted from the calculation of the worker's length of service unless otherwise specified under local laws, regulations, and procedures.

## **HEALTH & SAFETY**

DXL is committed to ensuring a safe, healthy, and productive working environment for its employees, and it expects the same level of commitment from its Vendors. Vendors must provide their workers with safe and healthy working conditions. Factories that work on DXL merchandise must have adequate medical facilities, fire exits, and safety equipment. Workstations must be well-lit and comfortable, while restrooms should be kept clean and hygienic.



Adequate living quarters should also be provided where necessary. Workers should be trained adequately to perform their jobs safely.

- All documents required by applicable Maintenance/Worker must be available to workers and management.
- It is mandatory to make laws available in the local language or languages spoken by workers if different from the local language. This includes laws pertaining to health and safety protocols and policies, Material Safety Data Sheets, etc.
- Suppliers are obligated to create, keep up-to-date, and regularly evaluate a written health and safety policy. The policy must be designed to comply with the minimum legal safety and health standards, regulations, and procedures.
- The health and safety policy must be created and implemented in consultation with workers or their representatives. The health and safety policy should outline a complete framework for the management of health and safety. It should clearly define the responsibilities of both suppliers and workers, the rights and duties of workers, the responsibilities of designated personnel, procedures for raising health and safety concerns, and protocols for reporting death, injury, illness, and other health and safety issues, including near-miss accidents. All of these procedures should be regularly tested and reviewed.
- The health and safety policy must be communicated to all workers in their native language or a language they understand.
- Suppliers are required to inform the appropriate authorities of any illnesses or accidents as mandated by the relevant laws. All reports of illnesses, safety concerns, and accidents must be retained on the premises for at least a year, or a longer duration if required by law.
- The Supplier must possess all legally required and valid permits and certificates related to health and safety issues, such as purchasing and storing chemicals, fire safety inspections, machinery inspection, and chemical waste disposal. These permits and certificates must be kept up to date at all times.
- Please refer to the following guidelines for Evacuation Requirements and Procedures:  
All legally required or recommended elements of safe evacuation, such as posting of evacuation plans, installation and maintenance of an employee alarm and emergency lighting systems, ensuring that aisles and exits are not blocked, and employees are not blocked within their workstations, employee education, and evacuation procedures, should be strictly followed. It is mandatory to train workers in evacuation procedures, and alarm systems should be regularly tested. Evacuation drills should be conducted at least once a year to ensure preparedness.
- Safety equipment and first aid training are crucial to ensure the safety of workers in a factory. All safety and medical equipment such as firefighting equipment, first aid kits, etc. must be easily accessible, maintained, and stocked as required. It is important to have sufficient workers trained in first aid and firefighting techniques to handle any emergency that may arise.
- Employers are required to provide their workers with adequate and appropriate Personal Protective Equipment (PPE) to ensure their safety and prevent exposure to any potential health and safety hazards. This includes, but is not limited to, gloves, eye protection, hearing protection, and respiratory protection. The provision of PPE is essential to prevent workers from inhaling or coming into contact with hazardous substances such as solvent vapors, noise, dust, and medical waste.
- Workers are not responsible for any costs related to the provision and maintenance of personal protective equipment.

- Chemical management and training are crucial to ensure the safety of workers and the environment. All chemicals and hazardous substances must be appropriately labeled and stored in compliance with applicable laws. Labels should be in the local language and the languages spoken by workers, if different from the local language. Furthermore, workers must receive training relevant to their job responsibilities regarding the risks, hazards, and the proper use of chemicals and other hazardous substances.
- Material Safety Data Sheets (MSDS) of all chemicals used in the factory should be available at both the usage and storage sites of the chemicals. They must be in the local language and also in the language(s) spoken by the workers, if different from the local language. Workers must have unrestricted access to the MSDS.
- To ensure that pregnant women and workers under the age of 18 are not exposed to hazardous chemicals, it is essential to make specific appropriate accommodations as required by applicable laws. These accommodations should be made in a way that does not unfairly disadvantage workers.
- Suppliers must not assign women to tasks that put their reproductive health at risk.
- All the necessary ventilation, plumbing, electrical, noise, and lighting services must be installed and maintained in compliance with the applicable laws. These services should be set up in a way that prevents or reduces hazardous conditions for the workers in the facility.
- Machinery Maintenance and Worker Training: All production machinery, equipment, and tools should be maintained on a regular basis and appropriately guarded. Workers must be trained to operate machinery, equipment, and tools safely and correctly. Suppliers must ensure that safety instructions are either displayed or easily accessible to workers near all machinery.
- Suppliers are required to use only positive incentives such as risk awareness training, demonstrations of proper use, awards, and bonuses to ensure their workers use machinery, equipment, and tools properly and safely. It is prohibited to subject workers to any negative consequences for refusing to work with machinery, equipment, or tools that are not properly guarded or reasonably considered unsafe.
- Workstations, which include seating and standing arrangements and the necessary reach to obtain tools, should be designed and set up to minimize bodily strain. Suppliers must train workers on proper lifting techniques and provide items such as belts to help with this.
- Medical facilities must be established and maintained in factories as per the applicable laws. The medical staff shall hold a valid license and be recognized under the local rules and regulations. An adequate number of medical staff must be available during all working hours, including overtime, as required by local law.
- It is important to maintain an appropriate stock of medical supplies at all times. Any medicines that have passed their expiration date must be replaced immediately and disposed of safely.
- Factory facilities, including buildings, toilets, canteens, kitchens, and clinics, must comply with all relevant sanitation, medical, safety, and health regulations, and be kept clean and safe.
- Suppliers must provide the required number of toilets within a reasonable distance of the workplace, as per applicable laws. Suppliers must not impose unreasonable restrictions on toilet use.
- Food preparation is of utmost importance to ensure the safety and well-being of workers. Therefore, all food made available to workers should be prepared, stored, and served in a safe and sanitary manner in compliance with all applicable laws. Additionally, workers responsible for handling food should be equipped with the necessary tools and equipment to do so safely and hygienically.

- Access to safe and clean drinking water should be available at all times and within a reasonable distance of the workplace. The water should be at an appropriate temperature, and the means of drinking water (such as cups) must be safe, sanitary, and available in sufficient numbers. Suppliers must not impose unnecessary drinking water restrictions.
- Sanitation in Dormitories - All dormitories must be kept clean, secure, and equipped with safety provisions such as fire extinguishers, first aid kits, unobstructed emergency exits, emergency lighting, etc. Additionally, emergency evacuation drills shall be conducted at least twice a year to ensure the safety of all occupants.

## **VENDOR ENVIRONMENTAL POLICY**

DXL is dedicated to responsible sourcing practices, which include reducing environmental impacts from the manufacturing processes in our supply chain. To achieve this, we aim to collaborate with Vendors that share our vision.

Suppliers must provide third-party environmental audits conducted on behalf of DXL. These audits must review the factory's policies, practices, and procedures related to handling chemicals and other hazardous waste. Additionally, they must review the factory's compliance with all relevant environmental laws and regulations. Each Supplier must comply with all laws and regulations relating to environmental protection in the country in which it operates, and we expect Suppliers to implement reasonable measures to mitigate negative impacts generated from their operations on the environment.

After reviewing our supply chain operational footprint, we have identified the most material environmental focus areas for our Company and industry. The Sustainability Accounting Standards Board's (SASB) guidelines for apparel and footwear support the materiality of these issues, which are chemicals, wastewater, and raw materials.

- **Regulations:** Suppliers are required to comply with all environmental laws and regulations that apply to their operations.
- **Hazardous Waste:** All chemical residue and hazardous waste must be stored and disposed of by applicable laws.
- **Inhalation:** Suppliers must determine if any airborne contaminants are present in their operations and, if so, take measures to reduce those levels to safe levels, as outlined in the regulations.
- **Soil Pollution:** Suppliers must monitor the impact of their operations on the surrounding soil to ensure that there is no contamination of the habitat.
- **Wastewater and Waste Management:** Suppliers must monitor their wastewater to ensure it is safe for disposal. They may either treat it onsite or offsite. Suppliers must monitor and manage the waste produced through their operations. Whenever possible, facilities must recycle these wastes and properly dispose of them in a non-harmful manner to the environment.

## **WOMEN'S ISSUES**

All Suppliers must ensure that female workers receive equal treatment in all aspects of employment. Pregnancy tests should not be a requirement for employment or for continued employment. If pregnancy testing is provided, it must be voluntary and optional for the worker. Workers should not be exposed to hazards that may endanger their reproductive health and Suppliers must not force workers to use contraception.

- Suppliers are prohibited from using pregnancy tests or contraception as a basis for hiring or continued employment. Additionally, Suppliers cannot require female workers to undergo pregnancy testing, except

where national law mandates it. Even in cases where testing is required by law, Suppliers cannot use the test results as a basis for hiring or continued employment.

- Pregnancy and Marriage Discrimination - Employers cannot use threats of dismissal or other negative employment decisions to prevent female workers from getting married or becoming pregnant.
- Suppliers must not penalize pregnant women by making employment decisions that negatively affect their status, including dismissal, loss of seniority, or wage deductions.
- Suppliers are required to comply with all local laws and regulations that protect pregnant workers and new mothers. These provisions include maternity leave and benefits, restrictions on night work, temporary reassignments to avoid hazardous work environments, and adjustments to working hours during and after pregnancy. Suppliers must also provide breastfeeding breaks and facilities to new mothers. If local laws do not provide adequate protection, Suppliers must take reasonable measures to ensure the safety and health of pregnant women and their unborn children. These measures should not have an unreasonable impact on the pregnant woman's employment status, wages, or benefits.

## **ADDRESSING DEFICIENCIES IN DXL'S SUPPLY CHAIN**

DXL believes in a continuous improvement model and provides guidance and training to our vendors and third-party manufacturers. Although we have the right to terminate our business relationship for breaches of our Vendor Code of Conduct, we first work collaboratively with our vendors to address any deficiencies identified through compliance audits. If issues are found, we work with our vendors to implement a time-bound corrective action plan to address the deficiencies. Throughout this process, we strive to maintain our orders so that factory workers are not adversely affected.

### **Code of Conduct**

**Notification to Employees:** Vendors shall notify employees of the terms of these standards and post the terms in the local language, in a prominent place accessible to all workers.

**Employment Records:** Each Vendor commits to keeping and maintaining all payroll records in a complete and accurate manner as required by law and to making such records available to their employees and customers upon request.

**Implementation Practices:** DXL's Vendors commit to developing implementation, training, third-party monitoring, and corrective action programs to implement the principles set forth in this Code of Conduct.

**Management System:** Each Vendor shall designate one or more of its management staff to be responsible for implementing and monitoring compliance with the standards laid out in this Code of Conduct within its manufacturing facilities and the manufacturing facilities of its subcontractors.

**Right of Inspection:** To further assure proper implementation of and compliance with the standards set forth above, DXL or a third party designated by DXL reserves the right to undertake affirmative measures, such as on-site inspection of manufacturing and production facilities, to implement and monitor the standards. Any Vendor who fails or refuses to comply with these standards is subject to immediate cancellation of any and all outstanding orders, refusal or return of any shipment, and termination of its business relationship with DXL.

**Supplier:**

**COMPANY CHOP / SEAL:**

BY: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Phone#: \_\_\_\_\_

Email: \_\_\_\_\_