



CORPORATE SUSTAINABILITY

Our Environmental, Social & Governance Strategy
2022

www.dxpe.com

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Dear Valued Stakeholders of DXP Enterprises,

It is with great pleasure that I write to you today to provide an update on our ongoing commitment to sustainability. At DXP, we believe that the success of our business is linked to the health and wellbeing of the planet and the communities we serve. That is why we have continued to invest in sustainable practices that not only reduce our environmental impact but also help our customers achieve their sustainability goals.

Since our last report, we have made significant progress towards achieving our ESG commitments. We have also implemented waste reduction strategies to minimize the amount of waste generated by our operations. In addition, we have continued to prioritize the health and safety of our employees, customers, and the communities in which we operate.

Our commitment to sustainability extends beyond our own operations. We understand that many of our customers are also working to reduce their environmental impact and achieve their sustainability goals. That is why we have continued to work closely with them to provide solutions that are not only efficient and effective but also sustainable. Our team of experts is always on hand to provide guidance and support on how to incorporate sustainable practices into their operations.

As we move forward, we remain committed to pursuing a more sustainable future for ourselves, our customers, and the planet. We understand that the challenges we face are complex and multifaceted, but we believe that together, we can make a positive difference. We will continue to engage internally and externally to define ESG topics that matter to our business and customers and develop ambitious and achievable goals and objectives. In conclusion, I want to thank you for your continued support and partnership as we work towards a more sustainable future. At DXP Enterprises, we believe that by working together, we can create a brighter future for generations to come.



Sincerely,

David R. Little

Chairman of the Board,
President and Chief Executive Officer

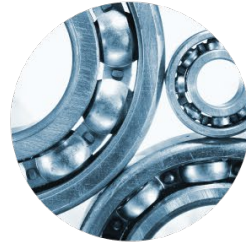


ABOUT DXP

ABOUT DXP

DXP Enterprises (DXP) is a leading industrial distribution company. Our product specialties include rotating equipment, bearings and power transmission, metalworking, industrial supplies and more. From aviation and agriculture to fabrication and construction, we offer dedicated service and support for a variety of industries. Our DXPeople are comprised of customer-driven experts in a variety of specialties, including supply chain services, pump manufacturing, and renewable energy solutions.

PRODUCTS



Bearings & Power Transmission



Industrial Supplies



Rotating Equipment



Safety Products



Metalworking Products

SERVICES



Custom Fabrication



Supply Chain Services



Safety Services



Vendor Managed Inventory



Renewable Energy Solutions



Renewable Energy



Municipal



Chemical



Agriculture



Aviation



Energy



Fabrication & Construction



Food & Beverage



General Manufacturing



Mining



Oil & Gas



Refinery



Transportation

OUR HISTORY

A little more about us

In 1908, Charles A. Levins founded Southern Engine and Pump Company in Houston, Texas. Thanks to new pump designs, water could be delivered to unprecedented heights, passenger steamships were achieving enormous scales, and irrigation was unlocking America's agricultural potential. Mr. Levins built his business by bringing these new technologies to farmers in the Houston area. The Southern Engine and Pump business grew as the community around it experienced profound change. The emergence of Big Oil and the trials of the Great Depression shaped the business and the social fabric of Texas. Mr. Levins and his team at Southern Engine and Pump thrived through these years of radical change through innovation and a promise to find customer-driven solutions.

THE JOURNEY

1908

FOUNDED: SOUTHERN
ENGINE & PUMP COMPANY



1920

CONTINUED GROWTH



In 1979 the company changed its name to SEPCO Industries, Inc. By then, SEPCO was a major distributor for a complete line of pumps, engines and gas compressors through its sales and service outlets in Texas, Louisiana, Oklahoma and New Mexico. SEPCO designed and engineered custom packaged systems, supplied local inventories for quick deliveries, and provided aftermarket support through their service and repairs. Through a merger with Shoreline Supply, SEPCO became the largest pump distributor in North America. In 1990, customers were looking for greater efficiency in their supply chains and eager for a consolidated supplier who could serve a diverse range of business requirements. To meet thriving customer demand, SEPCO acquired additional businesses to enter the bearing and power transmission business and launched a new Supply Chain Services division.

1979

BECAME SEPCO INDUSTRIES



1990

BECAME LARGEST PUMP DISTRIBUTOR IN NORTH AMERICA.

EARLY 90'S

STRATEGIC ACQUISITIONS & SERVICE EXPANSIONS



As SEPCO had expanded into new industries, its need for capital had grown as well. In 1996, the company went public. As part of the IPO, the leadership team decided to update the corporate brand to reflect the business's broader scope. DXP Enterprises Inc., "The Distribution Experts," was born. The company has continued to foster its century-old roots in the service-driven pump industry, while also expanding into bearings, power transmission, logistics, safety and metalworking. In 1986, the company had revenues of \$20 million and around 50 employees. Today, annual revenues are well over \$1 billion, and the team has grown to almost 3,000 professionals.

1996

WENT PUBLIC AS
DXP ENTERPRISES, INC.



EARLY 2000'S

CONTINUED GROWTH &
EXPANDING PRODUCT BREADTH

TODAY

EXPANDING INTO MORE
INDUSTRIES WITH TECHNICAL
PRODUCT & SERVICE EXPERTISE



OUR MISSION

DXP is dedicated to the highest quality of customer service through expertise in the products we distribute and the technical services we perform with a sense of individual pride and company spirit. We aspire to be the best solution for Industrial customers' needs for Maintenance, Repair, Operating, and Production (MROP) products and services through our Innovative Pumping Solutions, Supply Chain Services and Service Centers with safety and the environment in mind.



● Service Center / Sales Office

● Fabrication / Manufacturing / Remanufacturing

● Ballistic Distribution Center

● Customer First Center

156
Service Centers

16
Fabrication Centers

6
Manufacturing & Remanufacturing

4
Wastewater Locations

4
Ballistic Distribution Centers

1
Customer First Center

ESG AT DXP

DXP is proud to embrace Environmental, Social, and Governance (ESG) as a guiding strategy for how we do business. We take corporate sustainability seriously and are committed to doing right by our customers, employees, and communities.

ENVIRONMENTAL

- Energy Efficiency
- Opportunities in Clean Tech
- Fuel Economy
- Hazardous Waste and
- Chemicals Management
- Remanufacturing Design
- Renewable Energy
- Environmental Data Tracking and Transparency
- Water Stewardship



SOCIAL

- Corporate Citizenship & Philanthropy
- Human Rights & Fair Labor
- Employee H&S and Wellness
- Talent Attraction and Retention
- Diversity & Inclusion
- Product Safety and Quality



GOVERNANCE

- Risk Management
- Cyber Security
- Diverse Board
- Business Ethics
- Conflict Minerals



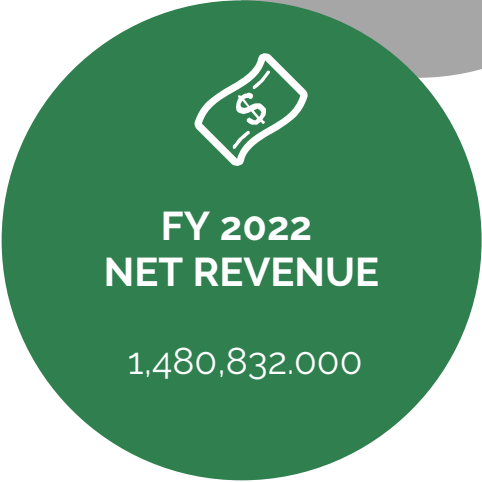
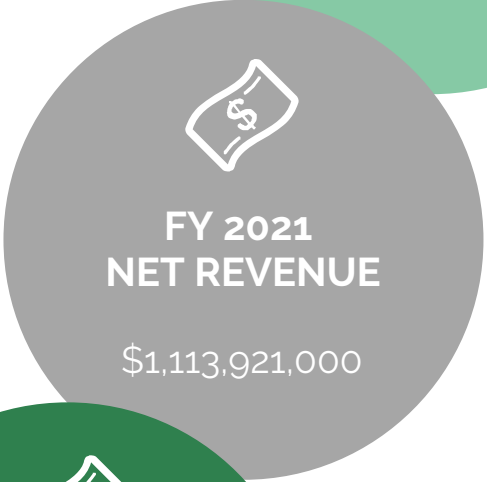
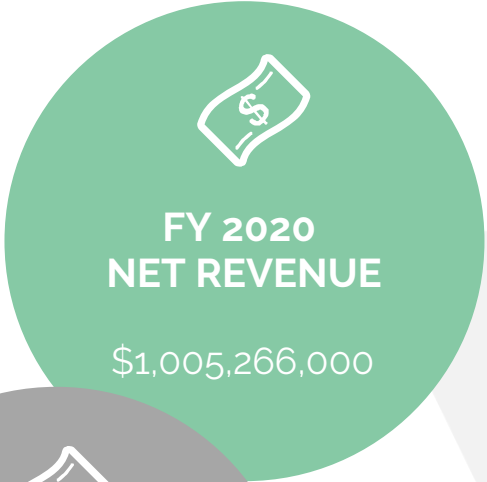
We selected topics that are core to DXP's operations and the expectations of our stakeholder groups. The selected topics resonate with stakeholders, are actionable, and are consistent with actions underway by leaders in our industry. We intend to internalize these topics within DXP's long-term corporate strategy.

ESG HIGHLIGHTS



HONORS

Industrial Distribution Ranked DXP #17 in 2022 and #23 in 2022's Modern Distribution Management Top 40 Industrial Distributors



SUPPORTING OUR CUSTOMERS' NET-ZERO EMISSIONS AND CLEAN WATER GOALS

We have identified over two dozen product lines for environmental and renewable energy applications that we are currently offering to ten different industries.

AWARDS

Received Hormel Supplier Spirit of Excellence Award each year since 2012 for our commitment to quality, service, innovation, and customer satisfaction.



OUR GOALS - 2023

TO FURTHER OUR COMMITMENT OF REDUCING OUR ENERGY CONSUMPTION, WE WILL LEVERAGE THE FINDINGS FROM THE DXP 2022 ENERGY AUDIT TO INITIATE ENERGY-REDUCTION PROJECTS ACROSS OUR COMPANY.

PILOT THE USE OF ALL-ELECTRIC FORD F-150S TO DETERMINE THE FEASIBILITY OF FLEET ELECTRIFICATION

CONTINUE TO TRACK REVENUE RESULTING FROM THE SALE OF PRODUCTS SUPPORTING CUSTOMERS' RENEWABLE ENERGY AND CLEAN WATER OPERATIONS

PROMOTE DXP'S NATIONWIDE APPROACH TO OUR E-WASTE, INCLUDING ESTABLISHING VENDOR REQUIREMENTS

CONTINUE TO TRACK AND MEASURE WASTE RECYCLING EFFORTS AT OUR DISTRIBUTION CENTERS AND CORPORATE OFFICE

INCREASE OUR INVOLVEMENT IN COMMUNITIES IN WHICH DXP OPERATES THROUGH MONTHLY COMMUNITY ENGAGEMENT AND EMPLOYEE VOLUNTEERISM

CONTINUE TO EXPAND OUR OFFERING AND TARGET MARKETS YEAR AFTER YEAR.



OUR DXPEOPLE

OUR DXPEOPLE

DXPEOPLE – (pronounced D-X- peo-ple)



Our DXPeople are the heart of our organization. DXPeople are dedicated to helping our customers meet their goals. We are a close-knit family, and we combine a national distribution network with customer-first hospitality. The values of our DXPeople shine-through in each interaction in the field. We are driven by problem solving for the customer and providing the “Xpertise” and service you rely upon.

CORPORATE CITIZENSHIP & PHILANTHROPY

Community involvement is a very important part of our culture at DXP. DXP employees have volunteered their time with multiple organizations. Overall, DXP spent \$125,972.41 in charitable donations in 2022.



CORPORATE CITIZENSHIP & PHILANTHROPY

HESS HOUSTON CORPORATE 5K RUN

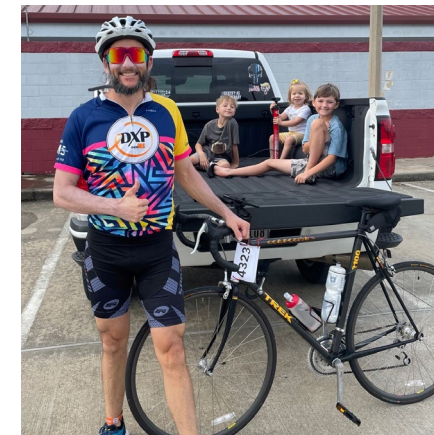
A team of over 50 DXPeople registered to participate in the 5K in Houston and virtually. A portion of all registration and sponsorship proceeds directly benefit Memorial Park Conservancy, which is committed to restoring, preserving, and enhancing Memorial Park for the enjoyment of all Houstonians.



DXP HOSTED BLOOD DRIVES

DXP employees donated blood at several DXP locations in 2022. These donations helped to save up to 150 lives – some of which were sent to the South Texas Blood and Tissue Center which supplies the San Antonio and Uvalde areas.

CORPORATE CITIZENSHIP & PHILANTHROPY



NATIONAL MS SOCIETY - BIKE MS

DXP is proud and honored to sponsor a DXP Bike MS 150 Team for the 7th year to bring awareness and aid in ending MS. Our team has raised money to help fuel the National Multiple Sclerosis Society's mission to cure MS while empowering people affected by MS to live their best lives.

CORPORATE CITIZENSHIP & PHILANTHROPY

MARINE TOYS FOR TOTS

DXPeople at several DXP locations collected new, unwrapped toys and helped distribute those toys as gifts to low-income children to help spread cheer throughout local communities.



HALLIBURTON CHARITY GOLF TOURNAMENT

DXP participated at the \$60,000 sponsorship level in 2022. The funds are distributed to non-profits throughout the local community such as Kids Meals, Backpack Buddy, Safe Kids Worldwide, Dress for Success, among others.

CORPORATE CITIZENSHIP & PHILANTHROPY

MILITARY APPRECIATION MONTH

DXPeople showed their support for our military by raising funds and collecting new/used medical equipment, and care package items to organizations: Commerce City American Legion, Rifles to Rods, Disabled American Veterans Organization, and Blue Star Mom's.



SUPPORTING OUR LOCAL SCHOOLS

DXP locations supported our local schools by providing school supplies, snacks, and backpacks to help the children in our area start the school year off right!

CORPORATE CITIZENSHIP & PHILANTHROPY



DXPEOPLE CARE – SERVING OUR LOCAL COMMUNITIES

DXPeople donated their time to UW Outreach Wyoming Food for Thought in Casper, WY with UW Outreach and Wyoming Food for Thought by building two greenhouses at two separate Casper, WY schools! The schools will be able to use the greenhouses throughout most of the year to feed students over weekends and breaks who may not otherwise have any meals provided.

In Houston, DXPeople volunteered at Mesa-Outreach in their food pantry by organizing and distributing food to the local community. One evening our team was able to distribute to over 340 families!

OUR IMPACT

There are many ways to gain satisfaction, but sharing and helping those in need are two of the most rewarding. The Hopkinton branch answered the corporate mission by giving back locally and to those who suffered while serving our country. Rifles to Rods supports soldiers by creating adventures that foster friendship, fun, fishing skills, and the opportunity to emotionally heal with fellow service people who struggle with PTSD after combat.

Helping to heal others one person at a time is a wonderful thing. I'm glad to work for a company that honors our Veterans and the spirit of giving.

-Susan Conrado, Regional VP

I originally started riding to spend time with my brother after our mother passed. After being a part of the MS 150 the first year, I learned about MS and the effects it has on those that live it, and the ride brought a whole new meaning to me. Then I met Jack Barrett (PMI) and his daughter Caroline - she had been diagnosed with MS at the age of 16. That really hit close to home. Since then, I have come to know many living with MS (including DXPeople and customers) - I ride for them.

-Michael Kelly, Sales Professional

Last year I had the opportunity to be part of the DXPeople CARE group serving in our local community. It was a very gratifying experience, feeling useful and very happy knowing that I was able to give a bit of my time to a noble cause. We live in a time where there are so many distractions that we are unaware of the tremendous need around us.

-Alba Villalobos, AP

This has been my first year with DXP APO Pumps & Compressors and DXP has made it a very exciting one! This year I had the privilege of preparing a school drive for Hilliard School District in which one of our facilities is located. We had great feedback from our team and were able to help the school district in which many of our team members' families attend. Making a real impact in the communities in which we serve is the DXP difference.

- Daniel Mallott, Sales & Marketing Coordinator

As the mom of an Army Veteran, it warms my heart to be a part of the Blue Star Moms Houston/DXP donation collection event. Supporting our Troops who are serving on our behalf and protecting our freedom is a great opportunity that I enjoy. These donations are used to pack care packages for deployed Heroes from the various branches of military service. It sends them a "little bit of home" while serving around the world.

-Teresa Withrow, Project Coordinator

EMPLOYEE HEALTH & SAFETY



DXP is committed to keeping our DXPeople safe while they are at work so that they can return home safely to their families each and every day. We track safety statistics and analysis trends every quarter, conduct annual safety trainings based on needs, and continually manage risk through hazard identification and assessments to identify and control workplace hazards. DXP works to provide a transparent and uniform approach to HSE to ensure our DXPeople can continuously improve to support our customers.

Behavior-Based Health, Safety, and Environmental Program and Stop Work Authority

This program is included in our Safety Manual and is meant to foster continuous improvement wherein employees, in addition to conforming to DXP Safety Program and policies, accept the responsibilities to pro-actively identify risks and take corrective action before such risks cause an incident. This program is monitored by our Safety Committee Members and Safety Coordinators. Under this program, all employees are responsible and authorized to Stop Work when there is a concern regarding a safety risk without repercussion. The Stop Work process involves a stop, notify, connect, and resume approach for the resolution of a perceived unsafe condition, act, error, omission, or lack of understanding that could result in an undesirable event. Work will not resume until all Stop Work issues and concerns have been adequately addressed.

U.S. SAFETY STATISTICS

EMR	Average # Employees	Average Employee Hours	Total Recordable Incident Rate
2020			
0.94	2,187	4,599,547	1.04
2021			
0.84	2,358	4,904,640	.94
2022			
0.88	2,550	5,304,000	.90

DXP SAFETY PROGRAMS

SAFETY TRAINING

DXP conducts annual employee safety training on topics such as:

- DXP's HSE Commitment Statement
- Eye Safety
- Slips/Trips/Falls
- Driving Safety
- Safety Annual Refresher
- Machine Guarding
- Personal Protective Equipment (PPE)
- First Aid
- Heat Stress
- Fire Safety
- Emergency Action Plan Drills
- Bloodborne Pathogens Annual Refresher
- Hand Safety
- Job Safety Analysis
- Employee Exposure and Medical Records Policy
- Industrial and Office Ergonomics



DXP Safety By Choice...
Not By Chance



SAFETY AWARDS

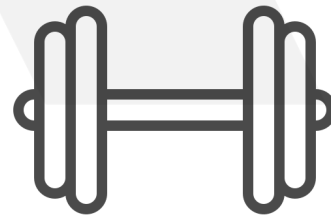
The DXP Safety Award Program rewards employees for their compliance with the company safety program and continually improving their safety record.

Employees earn safety points for completion of safety trainings. These points can be submitted for awards ranging from DXP apparel (polos, jackets), drinkware, first aid kits, or reimbursement for safety shoes or tools related to their field of work.

EMPLOYEE WELLNESS

FITNESS CENTER

DXP recognizes National Employee Health & Fitness Day each May by providing suggested tips and activities. To build on this initiative, DXP opened a corporate fitness center free of charge to all employees on October 11, 2021. DXP hopes that the fitness center will encourage employees to lead healthy, active lifestyles. The fitness center is open Monday-Friday from 6am-7:30pm and features a wide variety of state-of-the-art exercise equipment – including cardio and weight machines, free weights, treadmills and more.



EMPLOYEE WELLNESS

DXP WALKING CHALLENGE



Each Fall, DXP conducts a Virtual Walking Challenge where employees are encouraged to join and earn rewards for participating. In September 2022, DXP presented the challenge: Building Healthy Habits. Employees were able to participate virtually and strive to average at least 7,000 steps a day while meeting milestones along the way that encourage building habits like healthy eating, ways to boost your mental health and learning the science behind a consistent exercise regimen. According to our challenge survey, 57% of participants experienced increased energy levels.

"I thought this was a fun challenge to increase my fitness and have a little competition with my coworkers!"

"I plan to keep it up. I've never felt so good!"



EMPLOYEE BENEFITS

Eligible DXP employees have the opportunity to enroll in a benefits package which includes:

MEDICAL PLANS

- Benefit Value Advisors and Personal Health Clinicians
- Health Savings Account
- Option for virtual visits

COMPANY PAID
SHORT TERM
DISABILITY PLAN

LONG TERM
DISABILITY PLANS

VOLUNTARY
BENEFIT PROGRAMS

Critical Illness, Hospital
Indemnity, Accident, ID
Theft, Legal

401(K) WITH MATCHING

FLEXIBLE SPENDING
ACCOUNT

DENTAL PLANS

VISION PLANS

GROUP TERM AND
VOLUNTARY LIFE/
AD&D INSURANCE

PARENTAL LEAVE

100% paid parental leave for up to 9-weeks for eligible employees

EMPLOYEE ASSISTANCE PROGRAMS

DXP's Employee Assistance Program provides free services to all benefit-eligible employees:

- Three face-to-face visits with a behavioral counselor specialist for issues such as stress/anxiety, family/parenting issues, depression, grief, or substance abuse.
- Online tools available or ability to call an advocate anytime, any day.
- A source of guidance for Legal consultation, Parenting, Senior care, Childcare, Pet Care, Financial Services, Discount programs.
- Monthly Wellness Communications

PERKS AT WORK

DXP has partnered with Perks at Work since 2014. This benefit is an employee perks platform offering over 30,000 unique discounts on large items such as computers and travel as well as everyday items like restaurants, movie tickets, clothes, and more. In the last twelve months this program has saved employees an estimated \$26,000 on their purchases.

TALENT ATTRACTION AND RETENTION



We pride ourselves on employing industry leading experts. In order to maintain this reputation, it is vital that we retain our employees and continue to grow our breadth of knowledge. DXP conducts Retention Interviews to help managers understand why employees decide to remain employed.

DXP has also implemented a Frequent Employee Feedback model to provide employees and managers with the option of a continuous feedback method. This format allows for check-ins with employees on a quarterly basis. This model can be used in conjunction with DXP's Annual Performance Appraisal which provides employees with feedback on their performance over the previous year and establishes development objectives for the upcoming appraisal period.

Each year we participate in career fairs at colleges and universities. These events allow us to introduce DXP to a variety of students and gives us the opportunity to grow our talent pool with a more diverse group of potential DXPeople. In 2022, we attended Career Fairs at Texas A&M University, University of Houston, and Auburn University to recruit for full-time positions at DXP.



Employees Hired – 2022	
All Employees	869 (36.06%)
Managers	46 (5.29%)
All VPs, Presidents, and Senior Management	1 (0%)



OUR PRODUCTS



OUR PRODUCTS

DXP has the right product at the right time for the right price. As a first-tier distributor of over 90% of all maintenance, repair, operating, and production products required for industrial businesses, DXP offers the most comprehensive product offering of any other industrial supplier.



Bearings & Power Transmission



Industrial Supplies



Rotating Equipment



Safety



Metal Working

ROTATING EQUIPMENT

With over a century of experience and expertise, DXP is the leading rotating equipment supplier in the industry. We carry top-rated brands of pumps you can trust to keep your business running.



- Centrifugal Pumps
- Submersible Pumps
- Specialty Pumps
- Air Compressors
- Electric Motors
- Condition Monitoring & Controls

- Positive Displacement Pumps
- Metering Pumps
- Vacuum Pumps & Blowers
- Mechanical Seals & Packing
- Service/Repair/Manufacturing
- Engineered Fabrication

BEARINGS & POWER TRANSMISSION

DXP is the 4th largest bearing and power transmission distributor in the nation. Over the years, we have gained the support and buying power of many B&PT manufacturers. We currently represent over 2500 product lines in the following categories:



- Chemicals
- Bearings
- Fluid Power
- Hose
- Linear Motion Products

- Material Handling
- Mechanical Power Transmission
- Seals
- Clutches & Brakes

METAL WORKING

DXP is one of the largest, national suppliers of metal working products in the industry. Our product offering is immeasurable, and our relationships with those suppliers allows us the ability to serve our customers wherever they are located. Through our many metal working locations across the U.S. and our highly technical staff, we provide a full service, value-added experience for our customers. DXP is a stocking distributor with a variety of programs to better serve our customers, including (but not limited to): VMI programs, e-commerce, documented cost savings, and supply chain solutions.



- Abrasives

- Clamping & Workholding

- Holemaking

- Lubricants, Fluids & Coolants

- Marking & Labeling

- Material Handling & Storage

- End Mills

- Milling Holders

- Power Tools

- Precision Instruments & Gauging

- Saw Blades

- Threading

- Lathe

- Turning & Boring

SAFETY PRODUCTS

Safety is always top of mind. Every customer, no matter the industry strives to keep their employees working safely. DXP represents the top vendors for industrial safety products in the following categories:



- Apparel

- Ergonomics

- Eye & Face Protection

- Facility Management

- Fall Protection

- Fire Protection

- First Aid

- Hand + Foot Protection

- Hazardous Material Handling

- Head + Hearing Protection

- Instrumentation

- Respiratory

- Seasonal - PPE

- Traffic

- Welding

INDUSTRIAL SUPPLIES

Over the years, DXP has grown into one of the top industrial suppliers. With access to thousands of trusted brands, our technical experts are standing by to help you find the right tool or equipment for the task at hand:



- Abrasives
- Chemicals & Coatings
- Electrical Supplies
- Fasteners

- Janitorial Equipment
- Industrial Pipes, Valves & Fittings
- Tools
- Welding Supplies & Equipment

OPPORTUNITIES IN CLEAN TECHNOLOGY

DXP brings over a century of rotating equipment and packaging expertise to the Renewable Energy market. We are committed to supporting companies and communities determined to reach their goal of net-zero emissions. DXP is a partner in developing, implementing, and maintaining our customers' process and rotating equipment. Combining unparalleled engineering depth, we have the most extensive network of service locations in the U.S. and Canada and the highest level of technical expertise in industrial distribution. The DXP Renewables team offers the best solutions for application, some of which are highlighted below:



Bioethanol Plant Pumps

Pumps and complete transfer pump systems utilizing API 610 centrifugal pumps for dozens of applications within ethanol plants. From Fermentation to evaporation, tank farm and liquefaction, DXP supplies rotating equipment for all stages of the bioethanol production process.



Biogas Digester Feed/Circulation Hose Pumps

Hose pumps are the most reliable way to feed biomass into anaerobic digesters. These low-maintenance, high-reliability pumps can handle grass, straw, manure, and any solids (fiber, dry matter and soil/debris) being fed. Hose pumps are also used to circulate biomass between anaerobic digesters.



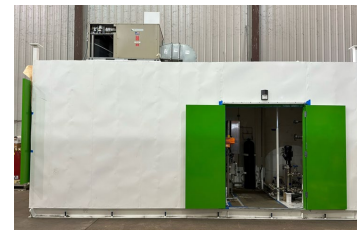
Chemical Injection Systems

DXP Standard and Custom-built Chemical Injection Systems are designed, packaged, and fully tested for a wide range of liquid chemical treatment applications. The complete system includes a chemical storage tank, two 100% metering/dosage pumps, instruments, tubing, valves, calibration column, and filtration.



Liquid Ring Vacuum Pumps and Compressors

Widely utilized in the biofuel industry. In bioethanol plants, Liquid-Ring Vacuum pumps are used in the distillation and rectification process as well as during the mash liquification and drying cycles. In the biodiesel industry, liquid ring vacuum pumps and compressors are applied during the separation of biodiesel and glycerin among other filling and emptying applications.



Renewable Hydrogen Production Modules

DXP's Hydrogen Production Systems are designed to facilitate the generation of grey, blue, or green hydrogen near the source or at the delivery point. Our skid mounted and/or containerized packaging guarantees an on-site, on-demand delivery of clean hydrogen.



Plate and Frame Heat exchangers

Heat Exchangers are applied in biodiesel and bioethanol plants, any time heat from a process is being recovered or utilized in another process. DXP is able to select the correct heat exchanger for all of your plant applications.

PRODUCT & SAFETY QUALITY

AT DXP, WE HAVE A STRONG DEDICATION TO QUALITY CUSTOMER SERVICE, PRODUCTS, PRODUCT DISTRIBUTION, AND THE TECHNICAL SERVICES WE PERFORM.

ISO 9001:2015 Certified Quality Management System

- ISO 9001:2015 is the International Standard for Quality Management Systems (QMS). It is the world's most recognized Quality Management System (QMS) standard.
- ISO 9001:2015 provides a framework and set of principles that ensure a common-sense approach to the management of your organization to consistently satisfy customers and other stakeholders.
- In simple terms, ISO 9001:2015 certification provides the basis for effective processes and effective people to deliver an effective product or service time after time.
- The key to any successful business is strong quality control. If you want your operation to thrive, your potential consumer base must be confident that the goods or services you offer meet or exceed expected standards.
- Three of our facilities (DXP Hopkinton, IPS Fabrication, and Omaha Distribution Center) are ISO 9001:2015 certified.



PRODUCT & SAFETY QUALITY

AT DXP, WE HAVE A STRONG DEDICATION TO QUALITY CUSTOMER SERVICE, PRODUCTS, PRODUCT DISTRIBUTION, AND THE TECHNICAL SERVICES WE PERFORM.

Benefits of ISO 9001:2015 Quality Management Systems (QMS).

- Customer focus on customer satisfaction.
- Reducing Operating Costs with continual improvement of processes and resulting operational efficiencies.
- The focus on risk identification allows you to allocate resources where they are most needed.
- The leadership requirement engages upper-level management and brings quality assurance more in line with overall business objectives.
- Performance evaluation and self-governance components can foster innovation and deliver enhanced value for stakeholders.
- The emphasis on organizational context looks at quality management from a big-picture perspective.



At DXP, we have long believed that we have a responsibility as a corporation to create long-term value for our customers while making a positive impact on the environment. As an organization, DXP adheres closely to an environmental policy that assesses our environmental impact as well as identifies ways that we can manage and improve our environmental performance.

OUR PLANET

DXP ENVIRONMENTAL POLICY

DXP's Environmental Policy outlines the following commitment statements:

DXP will minimize the environmental impact of our activities by:

- Limiting waste generation and handling wastes in a responsible manner
- Operating in a responsible manner reducing the risk of leaks and spills
- Maintaining emergency preparedness plans and response capabilities

DXP will systematically manage environmental performance by:

- Committing appropriate resources to meet stated goals and standards and to comply with applicable laws and regulations
- Ensuring staff and contractors are trained to carry out their duties responsibly
- Maintaining an environmental management system
- Utilizing effective performance measures
- Ensuring that inspections, audits, reviews, and follow up actions are planned and carried out
- Incorporating environmental activities into our internal audits and monthly inspections

DXP will continuously improve environmental performance through:

- Organizational development
- Understanding
- Commitment



ENERGY EFFICIENCY

It is important for us to help our customers to reach their energy efficiency goals. We have innovative solutions for reducing plant energy use and greenhouse gas emissions, a strong support for biofuels, geothermal, solar and wind, and offer a range of products for clients who are seeking to decarbonize their traditional operations.

How Have We Helped?

We have taken initiatives to help ourselves and our customers achieve energy savings and efficiency by:

- DXP's longstanding customer was struggling to keep their HP-Plus pumps running and was experiencing supply chain issues. DXP's Fluid Power Group stepped in and helped to increase machine uptime and provided an additional 80,000 lbs of processed product, provided \$350,498 in annual savings (mechanical and operational downtime), reduced the amount of generated waste oil, and helped the plant to achieve over 90% score on a Corporate Lubrication Excellence Audit.
- DXP has partnered with Noresco to conduct Phase 1: Energy Audit of our LaPorte Distribution and Service Center, with the goal of establishing the baseline energy use profile and identifying energy conservations measures (ECMs) for implementation.
- At DXP's Coca-Cola Supply Chain Services site (CSA), DXP has taken steps to reduce our GHG emission and improve our overall energy efficiency through the purchase of 19 fully electric forklifts, the planned installation of LED motion sensor lighting in the warehouse, and pallet/cardboard recycling.
- DXP's Clean Tech Group collaborates with DXP's Control and Automation Team to perform energy efficient audits for customers. In 2023, DXP consulted for a leading manufacturer to provide variable frequency drives (VFDs) that control the speed of the existing agitators that are able to reduce annual energy usage by 2,930,948 kWh and cut their annual carbon footprint by 3,148.16 tons with an estimated annual energy savings of \$893,095 and a ROI of 2.911 years.

DXP also recognizes that our energy use has an impact and will seek opportunities to reduce our own footprint. To further our commitment of reducing our energy consumption, We will leverage the findings from the DXP 2022 energy audit to initiate energy-reduction projects across our company.

MEASURE AND DISCLOSE WASTE AND RECYCLING STATISTICS

In 2022, DXP implemented a cardboard recycling program at our BDC facility in Houston, TX. This increased DXP's recycling efforts and reduced materials sent to the landfills by close to eight tons.

At DXP's Coca-Cola Supply Chain Services site (CSA), our operations team has been working with a local 3rd party pallet recycling company that takes our unsafe pallets and breaks them down into mulch for local garden centers. DXP has successfully recycled 5,798 pallets during 2022. In addition, our operations team recycled more than 90 tons in recyclable materials in 2022.

DXP has adopted a standardized, nationwide approach to our electronic waste (e-waste) recycling initiatives. DXP has partnered with Altech Company (R2 certified recycler) to ensure that end-of-life electronic devices will be handled in a safe, secure, and environmentally friendly manner. Since 2018, DXP has effectively recycled 9.6 tons in e-waste.

DXP has taken steps to reduce and protect the environment by implementing a recycling program at our Corporate office in Houston, Texas. With this program we aim to dispose of clean bottles, cans, paper, and cardboard to reduce waste sent to local landfills.



WASTE MANAGEMENT & RECYCLING POLICY

We outlined four methods to achieving solid waste reduction when we constructed our Waste Management and Recycling Policy.

SOURCE REDUCTION

All employees of DXP are responsible for implementing operational practices that prevent waste from being produced. Examples include printing double-sided reports and documents, printing appropriate numbers of documents, using email rather than printed correspondence, and using products that are reusable, refillable, repairable, non-toxic, and recyclable. Items requiring the least possible packaging should be purchased when practical. Every effort should be made to prevent excess or unneeded materials from being purchased.

REUSE OF MATERIALS

All employees of DXP are responsible for reusing products whenever possible. Examples include using dishes, glasses, and reusable flatware rather than disposable paper and plastic ware, or using paint brushes many times before disposing of them.

RECYCLING

- All employees of DXP are responsible for separating identified recyclable materials and placing them in appropriate recycling containers.
- DXP Recycling includes aluminum cans, batteries, cardboard, news blend, office blend, plastic bottles, styrofoam and peanuts, toner cartridges, transparencies, videotapes, and additional items as implemented.
- Facilities Management Recycling includes construction/demolition debris, fluorescent light bulbs, motor oil, oil filters, paint, pallets, refrigerants, scrap metal, solvents, tires, yard waste, and additional items as implemented.

PURCHASE OF RECYCLED CONTENT MATERIAL

All DXP departments are responsible for making efforts to purchase and use products manufactured from or containing recycled materials.

e-Waste

To further our commitment of reducing waste in our operations as well as in our customers' operations, we will develop a standardized, nationwide approach to our e-waste, including establishing vendor requirements in 2022. We will continue to measure and disclose waste and recycling statistics.



Our current recycler, [Altech Company](#), is Sustainable Electronics Recycling (R2) Certified. R2 provides clear standards for electronic recyclers, including training materials to ensure the safe handling of end-of-life electronics and their components. R2 Certified facilities are independently audited and certified.

GREENHOUSE GAS EMISSIONS

Given the global urgency around climate change and the climate-related severe weather that we've seen increase in frequency, DXP believes that GHG emissions constitute a topic that deserves immediate action for our business and for all businesses.



FUEL ECONOMY

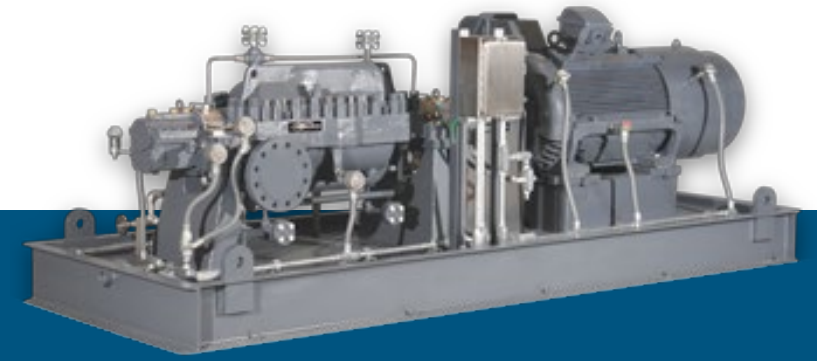
DXP has over 700 fleet vehicles that are driven by our employees as they help our customers with their needs. We believe that any business should be as efficient as possible with fuel usage and transportation logistics.

Many of our fleet vehicles are Ford F-150s, as we have a significant need for light-duty pickup trucks across our business. We believe that electric vehicles are the future and will launch a pilot to familiarize our employees with the duty cycle of electric vehicles, charging requirements, and to ensure that light-duty electric trucks can meet all our business needs. From our findings, we will move towards broader electrification of Ford F-150s and other vehicles across our fleet where practicable.

Finally, we will also start tracking the fuel use and fuel economy of each specific vehicle in our fleet, so that we can identify ways to increase fleet-wide fuel efficiency.



REMANUFACTURING DESIGN



Remanufacturing is a sustainable and efficient material recirculation practice that helps to conserve materials and energy and reduce landfill waste.

At DXP, we offer a custom remanufactured pump solution which provides our customers with total flexibility in executing their projects. This offers customers reduced lead time, reduced overall project cost, custom hydraulics, and the option to repurpose equipment they already own.

Our remanufacturing facilities have expertise in remanufacturing and rerating all varieties of American Petroleum Institute (API) vertical and horizontal single and multistage pumps. The purpose of remanufacturing is to utilize the casing, impellers, and bearing housing that already exist in the pump. Everything else is newly machined, purchased, or cast in-house at PumpWorks Castings. All components used from the existing pump are meticulously inspected and machined back to Original Equipment Manufacturer (OEM) tolerances or better. All completed pumps, just like any new API pump, are warranted and tested.

We hope to extend our expertise in remanufacturing to additional materials and parts of our business, to reduce waste and help our customers keep their equipment operating efficiently for longer periods of time.



WHY REMANUFACTURE WITH DXP?

In-house engineering and design expertise	Over 3,000 API pumps in inventory	Faster Delivery	Reman API end-suction pumps in 8-10 weeks vs. 32-45 weeks for OEM	Reman API multi-stage pumps in 14-16 weeks vs. 45-55 Weeks for OEM	Complete performance testing available	Competitive warranty (12 months after start-up or 18 months after shipment)
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WATER STEWARDSHIP



DXP Water's mission is to provide clean water and a sustainable environment for generations to come. Our comprehensive approach, expertise, and dedication sets us on a path to achieve these goals. We have access and expertise with the most advanced technologies, multiple types of solutions, installation supervision, and training opportunities to our customers for diverse water and wastewater projects. In addition to our clean water product offerings, we take water quality seriously at our own locations by implementing pollution prevention measures throughout our facilities.

DXP Water has a variety of solutions to provide our municipal and industrial clients sustainable and cost-effective solutions. Our capabilities extend from providing capital equipment, automation, flow control, troubleshooting, parts and repair services, and more.

DXP offers the most comprehensive services with highly qualified experts in their fields, making us well positioned to serve our customers.



WATER STEWARDSHIP

STORMWATER POLLUTION PREVENTION

We have a stormwater permit (TPDES) for our Houston Hobby PumpWorks location in Houston, Texas to ensure compliance with local environmental regulations. Stormwater is discharged directly to the City of Houston, which flows to the Easthaven Wastewater Treatment Plant. We proactively manage our stormwater to minimize our environmental impact and ensure that our facility is resilient during periods of extreme weather. Extreme rainstorms are expected to intensify as a result of climate change, and urban stormwater management will be essential to minimize risks to life and property. We maintain vegetated areas for soil stabilization to prevent erosion and sedimentation. The Pollution Prevention Team also inspects the parking lot, stormwater drains, and pump pits monthly, and ensures that the trash and metal shavings dumpsters are emptied weekly. We are working to incorporate many of these best practices across our facilities to improve stormwater management for our locations and our communities.

SPILL PREVENTION

Spill Prevention is documented in DXP's Health, Safety, and Environmental Management System Operation Manual, and Spill Response Procedures are outlined in DXP's Emergency Response Plan. Our Universal Spill Kit contains socks, pillows, grey universal pads, disposal bag, a pair of gloves, a pair of safety goggles, and a collapsible shovel.

Employees are trained annually on our spill prevention response plan and spill kit contents.



ENVIRONMENTAL COMPLIANCE, DATA TRACKING AND TRANSPARENCY

It is important to our investors, our customers, and to our DXPeople that we are transparent in our data tracking, reporting, and disclosure. We are committed to remaining compliant in all areas of our business. We are able to best maintain compliance and track relevant data through the various platforms identified below.

We have taken the initiative to align with [SASB](#) standards. More information can be found in [Appendix B](#).



[ISN](#) – This platform allows for members to share industry best practices, benchmarking performance, and data insights. DXP has been a member of ISNworld since 2003.



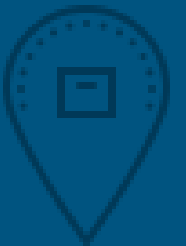
[EcoVadis](#) – This platform allows companies to monitor and share their ESG performance with stakeholders. DXP has disclosed to EcoVadis since 2013.



[Veriforce](#) – This platform allows companies to manage compliance programs and mitigate regulatory risk. DXP has been a member since 2006.



[Avetta](#) – This platform allows companies to evaluate the risk, safety, and sustainability practices of their suppliers and contractors.





We understand the importance of having a good foundation in setting the standard for our success. At DXP, we are committed to maintaining sound governance and ethical business practices while striving to achieve customer-driven solutions. We believe in building deep, solution-oriented relationships with our customers through internal and external business growth.

OUR PRACTICES

OUR LEADERSHIP

Our leadership team consists of eight senior management team members and six directors on our board, four in which are independent. Three of our board of directors are either the chairman of or are a member of our Audit Committee, Compensation Committee, and our Nominating and Governance Committee. DXP prides itself on ensuring that its board is populated by a diverse slate of individuals who represent both seasoned and fresh perspectives. Our board members are key players in our ESG journey and will continue to provide expert advice as we expand our ESG ambitions.

SENIOR MANAGEMENT TEAM

David R. Little

Chairman of the Board, President
& Chief Executive Officer

Chris Gregory

Chief Information Officer

Nick Little

Chief Operations Officer

David C. Vinson

Senior Vice President
Innovative Pumping Solutions, Operations

John J. Jeffery

Senior Vice President
Supply Chain Services

Paz Maestas

Chief Marketing & Technology Officer

Todd Hamlin

Senior Vice President Sales, Service
Centers and Innovative Pumping Solutions

Kent Yee

Chief Financial Officer

BOARD OF DIRECTORS

David R. Little, *Chairman*

Timothy P. Halter

David Patton

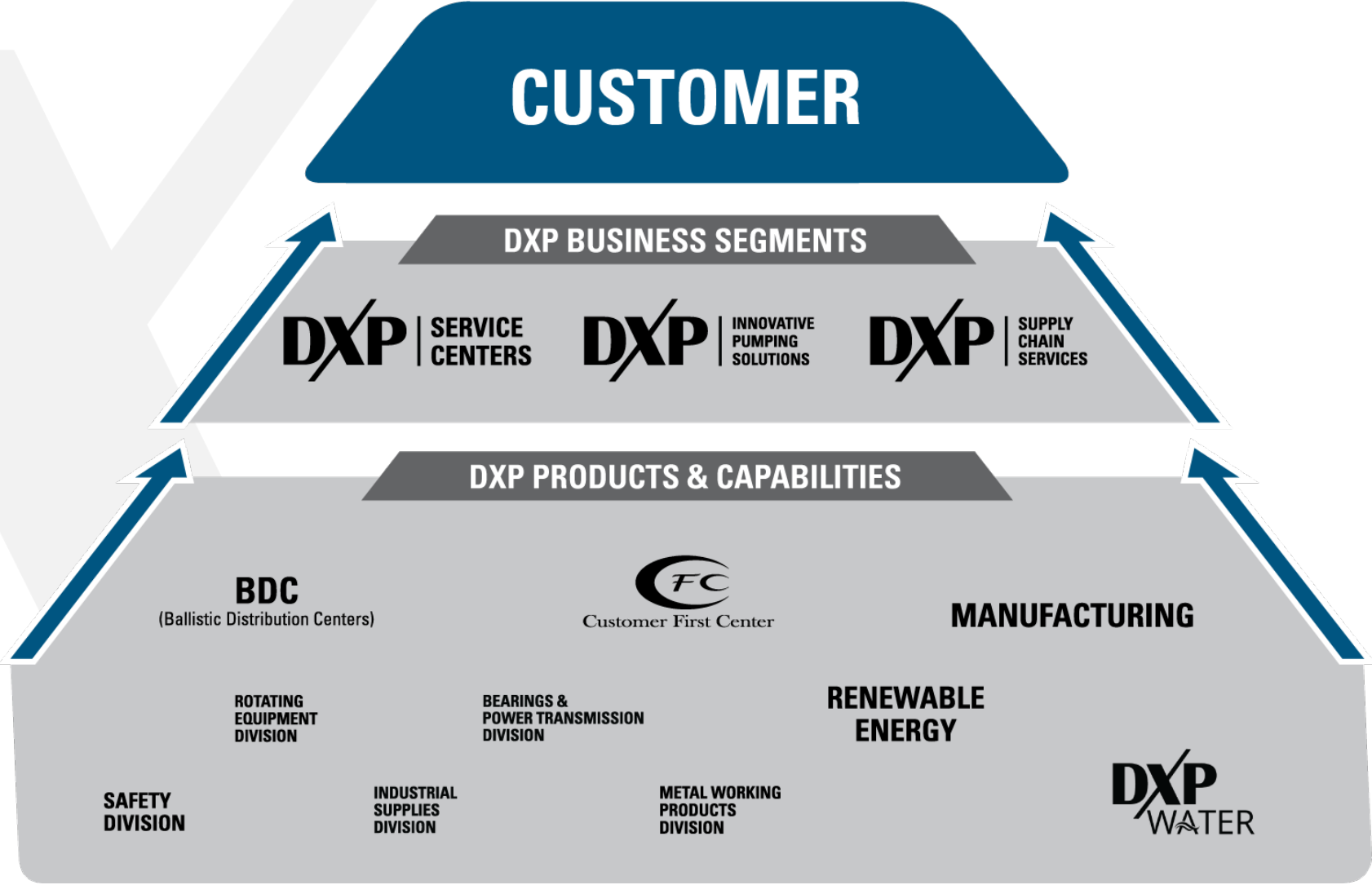
Joseph R. Mannes

Kent Yee

Karen Hoffman



OUR BUSINESS STRUCTURE





BUSINESS ETHICS

Since DXP's founding in 1908, we have always counted on our DXPeople to demonstrate an unwavering commitment to honesty and integrity. We believe the quality of our DXPeople, and our commitment to ethics and compliance will not only enable us to succeed today but will help us to achieve long-term success. DXP engages with stakeholders by conducting investor meetings and participating in workshops and conferences.

BUSINESS ETHICS

An important step in meeting our day-to-day ethics and compliance responsibilities is to be mindful of our commitments to each other, our customers, our business partners, and to the communities where we work and live. In order to achieve this, we have implemented multiple policies within our business that are all reviewed and updated on an annual basis:

1

DXP CODE OF CONDUCT

Outlines our commitment to ethics and compliance, maintaining respect and integrity within the work environment, maintaining appropriate business relations, ethical relations and confidentiality with stakeholders, information protection, corporate social responsibility, political activities, trading, anti-trust and fair competition, and anti-corruption. The Code of Conduct is reviewed on an annual basis and Employee Ethics Training is conducted on the Code at the time of new hire onboarding.

2

CODE OF ETHICS FOR SENIOR FINANCIAL OFFICERS

The honesty, integrity and sound judgement of DXP's Senior Financial Officers, which includes Executive Financial officers and other Key Financial Managers, is fundamental to our reputation and success. All Senior Financial Officers are expected to adhere to both the DXP Code of Conduct and this Code of Ethics.

3

DXP ANTI-CORRUPTION POLICY

Sets forth the ethical standards of conduct and practices that must be followed with respect to certain kinds of activity, particularly the offering or giving of anything of value, including but not limited to money, entertainment, travel, gifts, meals, charitable contributions, and political contributions regulated by the U.S. Foreign Corrupt Practices Act ("FCPA") and other anti-bribery and recordkeeping laws that are applicable to the Company and all Company Personnel.

4

AUDIT COMMITTEE CHARTER

Outlines the expectations of DXP's Audit Committee, namely, to assist the board in fulfilling its responsibilities for general oversight of DXP's financial reporting processes and the audit of DXP's financial statements, including the integrity of DXP's financial statements. Additional responsibilities include the assessment of DXP's compliance with legal regulatory and exchange or listing requirements and the independent auditors' qualifications and independence.

5

COMPENSATION COMMITTEE CHARTER

Outlines the responsibilities of the board relating to compensation of DXP's executive officers and directors. Specific responsibilities include producing an annual report on executive compensation as well as general oversight of DXP's compensation structure including equity compensation plans and benefits programs.

6

NOMINATING & GOVERNANCE COMMITTEE CHARTER

Outlines the expectations of DXP's Nominating and Governance Committee. The committee is expected to make recommendations to the board regarding the size and composition of the board, review appropriate skills and characteristics of the members, as well as continually evaluate board membership for appropriateness and functionality.



We have a Conduct Helpline in order to ensure that we handle all concerns and that they are addressed appropriately. The Conduct Helpline and partnering web portal are available 24/7. Trained specialists from an independent third-party provider of corporate compliance services will answer your call, document your concerns and forward an anonymous written report to the VP of Human Resources, Director of Human Resources, or the Chief Financial Officer, as appropriate, to provide independence for further investigation. When you contact DXP's Conduct Helpline or make a report using the web portal, all interactions can remain anonymous. All reports are treated equally whether they are submitted anonymously or not.

CONFLICT MINERALS

DXP has developed systems to avoid the use of Conflict Minerals and is committed to complying with the required reporting obligations. DXP conducts inquiries into the source of Conflict Minerals in our products and has established compliance requirements for our direct suppliers:

- Direct suppliers will be surveyed by DXP.
- Suppliers are expected to provide requested information concerning Conflict Minerals in a timely manner and with full disclosure.
- Suppliers must maintain and provide to DXP, upon request, traceability data.
- Suppliers are encouraged to adopt policies and management systems and to require their suppliers to adopt similar policies and systems with respect to Conflict Minerals.
- DXP has integrated Conflict Mineral information verification as part of their existing supplier engagement/review processes.
- DXP will assess suppliers who do not conform to DXP's policy on Conflict Minerals and will take any appropriate actions up to and including terminating supplier relationships based on nonconformance.

For more information, please refer to DXP's [Conflict Minerals Policy](#).





It is important to us that our customers feel that their data is safe and secure and that we are a company in which they can trust. The implementation of multifactor authentication is added to all publicly facing systems. DXP moved to an industry-leading mail security platform and implemented best-in-class managed endpoint detection and a response platform with 24/7 monitoring, threat hunting and remediation. Additionally, we contracted a third party to perform a security assessment and develop a thorough roadmap based on the National Institute of Standards and Technology (NIST) Cybersecurity Framework. In 2022 DXP conducted a cloud security assessment implemented a vulnerability management system and identity threat detection system. In 2023 DXP plans to implement a cloud access security broker (CASB), mobile device management (MDM) and log retention system. We also plan to strengthen our identity and access management as we continuously improve our security posture.



CYBER SECURITY & DATA PRIVACY:

CYBER SECURITY & DATA PRIVACY

CYBER INCIDENT RESPONSE PLAN

This plan provides an approach for handling any potential threat to computers and data, as well as taking appropriate action when the source of the intrusion or incident at a third party is traced back to the organization. The plan identifies and describes the roles and responsibilities of the Computer Incident Response Team (CIRT), which is responsible for activating and executing this plan.

CYBER RESPONSE TEAM

For service interruptions related to systems under management of DXP's IT department, if the helpdesk determines that the outage is or may be caused by a failure of a DXP system, then the response team below must be contacted in an "all-hands-on-deck" call until the interruption can be investigated, the cause identified, and a remediation plan created and placed into implementation.

The DXP Response Team consists of:

- CIO (Chief Information Officer)
- VP of Cybersecurity
- VP of IT Operations
- VP of IT Applications
- Technical Lead – Azure
- Network Manager
- Infrastructure Manager
- Systems Admin
- Systems Engineer
- VP of IT Client Services
- Director of Technology
- Virtual Desktop Architect



CYBER SECURITY ("DEFENSE-IN-DEPTH") STRATEGY

BEST IN CLASS ENDPOINT DETECTION AND RESPONSE WITH 24/7 MONITORING WHICH PROVIDES ENDPOINT MONITORING, THREAT HUNTING, REACTING, REPORTING, AND ESCALATION ON ANY IDENTIFIED THREAT

EMAIL SECURITY SOFTWARE WITH PHISHING, MALWARE, AND MALICIOUS LINK BLOCKER ADDITION

SECURITY AWARENESS TRAINING FOR ALL END USERS AND SIMULATED PHISHING ATTACKS

NETWORK FIREWALLS WITH INTRUSION PREVENTION SYSTEM

IDENTITY THREAT PROTECTION SYSTEM DESIGNED TO STOP IDENTITY-BASED ATTACKS

CLOUD BASED VULNERABILITY MANAGEMENT SYSTEM PROVIDING GLOBAL VISIBILITY INTO SYSTEMS VULNERABLE TO THE LATEST THREATS

ANNUAL RISK AND VULNERABILITY ASSESSMENTS AND EXTERNAL PENETRATION TESTS

MAINTAINING CONTROLS THAT ARE TESTED QUARTERLY TO MONITOR EFFECTIVENESS. CONTROLS ARE TO MITIGATE RISKS AND PREVENT EVENTS SUCH AS UNAUTHORIZED ACCESS TO SYSTEMS, UNAUTHORIZED CHANGES TO SYSTEMS, AND UNAUTHORIZED ACCESS TO DATA.



MAINTAINING RISK MANAGEMENT

DXP is forecasting and evaluating financial, environmental, and social risks together with the identification of procedures to avoid or minimize impact. We maintain a continuously evolving Enterprise Risk Management Plan and Framework to better analyze, understand, and prepare for potential risks to our business.

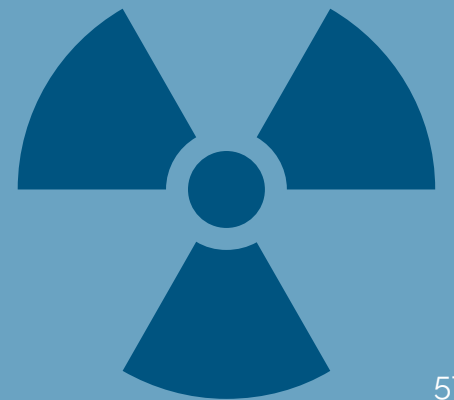
POTENTIAL THREATS

DXP has identified the following threats to business services:

- Flood
- Hurricane
- Fire
- Internet Outage
- Building Management Incidents
- Pandemic
- Power Outage
- Phone or Email Outage
- Datacenter Outage
- Server Outage

DXP's Business Continuity and Disaster Recovery Plan (BCP/DRP)

DXP's BCP/DRP is intended to define the business requirements and related processes for continuity of operations in the event of a disaster. In this policy, a disaster refers to an event that impacts site-wide business operations, such as a pandemic, a fire, or a weather event such as a flood, hurricane, or tornado. The plan states that the Chief Information Officer (CIO) and the VP of cybersecurity are the primary decision makers during the planning and recovery efforts and will serve as individuals who have the primary authority to make decisions concerning responses to an unexpected disruption of service or a disaster. The VP of Cybersecurity is responsible for making sure the plan is kept up-to-date at all times and that proper periodic updates are made to the plan. In addition, this role is also responsible for training and updating all appropriate personnel.



ABOUT THIS REPORT

Scope of Report

Our 2022 Environmental, Social and Governance (ESG) Report covers a wide range of environmental, social, and governance topics that are relevant to us and our stakeholders. Quantitative data presented throughout this report covers calendar year 2022 unless stated otherwise. The information in this report was gathered through internal compilation efforts, is subject to reasonable estimation where applicable, and has not been subject to any outside third-party or other independent verification.

Forward Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a "safe-harbor" for forward-looking statements. Certain information included in this report may contain statements that are forward-looking. These forward-looking statements include without limitation those about the Company's business, the Company's future profitability, cash flow, liquidity, and growth. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future; and accordingly, such results may differ from those expressed in any forward-looking statement made by or on behalf of the Company. These risks and uncertainties include, but are not limited to: decreases in oil and natural gas prices; decreases in oil and natural gas industry expenditure levels, which may result from decreased oil and natural gas prices or other factors; ability to obtain needed capital, dependence on existing management, leverage and debt service, domestic or global economic conditions, economic risks related to the long-term impact of COVID-19, ability to manage changes and the continued health or availability of management personnel and changes in customer preferences and attitudes. In some cases, you can identify forward-looking statements by terminology such as, but not limited to, "may," "will," "should," "intend," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential," "goal," or "continue" or the negative of such terms or other comparable terminology. For more information, review the Company's filings with the Securities and Exchange Commission. More information on these risks and other potential factors that could affect the Company's business and financial results is included in the Company's filings with the SEC, including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. These filings are available through the SEC's EDGAR system at www.sec.gov, and in the "Investors" section on the company website at www.dxpe.com. The Company assumes no obligation to update any forward-looking statements or information, which speak as of their respective dates.

Questions or Comments

Please send all questions or comments on this report to: sustainability@dxpe.com

Publish Date: May 1, 2023



APPENDIX A – DATA SUMMARY

DXP DATA METRIC SUMMARY

Active Full- and Part-Time Employees	United States:	2,494
	Canada:	444
	United Arab Emirates/Dubai:	10
	Total:	2,948
Net Revenue (from 10K)	FY2020:	\$1,005,266,000
	FY2021:	\$1,113,921,000
	FY2022:	\$1,480,832,000
Total Community Investments/Donations*	2022:	\$125,972.41
Safety Statistics*	2020	EMR: 0.94 Average # Employees: 2,187 Average Employee Hours: 4,599,597 Total Recordable Incident Rate: 1.04
	2021	EMR: 0.84 Average # Employees: 2,358 Average Employee Hours: 4,904,640 Total Recordable Incident Rate: .94
	2022	EMR: .88 Average # Employees: 2,550 Average Employee Hours: 5,304,000 Total Recordable Incident Rate: .90

Employees Hired in 2020*	Managers:	30 (5.56%)
	VP's, Presidents, & Senior Management:	0 (0.0%)
	All Employees:	176 (7.52%)
Employees Hired in 2021*	Managers:	17 (0.78%)
	VP's, Presidents, & Senior Management:	0 (0.0%)
	All Employees:	496 (21.64%)
Employees Hired in 2022*	Managers:	46 (5.29%)
	VP's, Presidents, & Senior Management:	1 (0%)
	All Employees:	869 (36.06%)
Employee Turnover Rate in 2020*	Quarter 1:	7.34%
	Quarter 2:	13.63%
	Quarter 3:	5.84%
	Quarter 4:	5.23%
Employee Turnover Rate in 2021*	Quarter 1:	4.61%
	Quarter 2:	6.39%
	Quarter 3:	7.78%
	Quarter 4:	8.25%
Employee Turnover Rate in 2022*	Quarter 1:	7.00%
	Quarter 2:	8.13%
	Quarter 3:	8.38%
	Quarter 4:	6.33%

* U.S. Statistics Only

APPENDIX B – SASB INDEX

Topic	SASB Metrics	DXP Metrics
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Energy consumed (kWh)
Employee Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Incident Rate
Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Not Reported
	Sales-weighted fuel efficiency for non-road equipment	Not Reported
	Sales-weighted fuel efficiency for stationary generators	Not Reported
	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	Not Reported
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Conflict Minerals
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	Total Revenue FY2021 and FY2022