UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended July 30, 2021

-OR-

☐ **Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to __________ to __________.

Commission File Number: 001-09769

Lands’ End, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**36-2512786**
(State or Other Jurisdiction of Incorporation of Organization)	**(I.R.S. Employer Identification No.)**
1 Lands’ End Lane Dodgeville, Wisconsin	**53595**
(Address of Principal Executive Offices)	**(Zip Code)**

(608) 935-9341
(Registrant’s Telephone Number Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	LE	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

As of August 27, 2021, the registrant had 32,981,027 shares of common stock, $0.01 par value, outstanding.

LANDS' END, INC.
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FOR THE PERIOD ENDED JULY 30, 2021
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

LANDS' END, INC.
Condensed Consolidated Statements of Operations
(Unaudited)

(in thousands, except per share data)	13 Weeks Ended July 30, 2021	13 Weeks Ended July 31, 2020	26 Weeks Ended July 30, 2021	26 Weeks Ended July 31, 2020
Net revenue	$ 384,109	$ 312,083	$ 705,406	$ 529,091
Cost of sales (excluding depreciation and amortization)	206,320	176,661	379,880	299,514
Gross profit	177,789	135,422	325,526	229,577
Selling and administrative	136,649	111,478	262,171	217,276
Depreciation and amortization	9,791	9,378	19,695	18,164
Other operating expense, net	—	3,373	443	7,656
Operating income (loss)	31,349	11,193	43,217	(13,519)
Interest expense	8,837	4,916	17,897	10,227
Other (income) expense, net	(123)	1,333	(290)	1,160
Income (loss) before income taxes	22,635	4,944	25,610	(24,906)
Income tax expense (benefit)	6,414	568	6,750	(8,639)
NET INCOME (LOSS)	$ 16,221	$ 4,376	$ 18,860	$ (16,267)
NET INCOME (LOSS) PER COMMON SHARE				
Basic:	$ 0.49	$ 0.13	$ 0.57	$ (0.50)
Diluted:	$ 0.48	$ 0.13	$ 0.56	$ (0.50)
Basic weighted average common shares outstanding	32,979	32,600	32,875	32,524
Diluted weighted average common shares outstanding	33,713	32,838	33,710	32,524

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
Condensed Consolidated Statements of Comprehensive Operations
(Unaudited)

(in thousands)	13 Weeks Ended July 30, 2021	13 Weeks Ended July 31, 2020	26 Weeks Ended July 30, 2021	26 Weeks Ended July 31, 2020
NET INCOME (LOSS)	$ 16,221	$ 4,376	$ 18,860	$ (16,267)
Other comprehensive income (loss), net of tax				
Foreign currency translation adjustments	(36)	1,382	275	123
COMPREHENSIVE INCOME (LOSS)	$ 16,185	$ 5,758	$ 19,135	$ (16,144)

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
Condensed Consolidated Balance Sheets
(Unaudited)

(in thousands, except per share data)	July 30, 2021	July 31, 2020	January 29, 2021
ASSETS			
Current assets			
Cash and cash equivalents	$ 39,223	$ 62,624	$ 33,933
Restricted cash	2,102	1,843	1,861
Accounts receivable, net	30,203	24,367	37,574
Inventories, net	464,291	441,510	382,106
Prepaid expenses and other current assets	31,127	48,095	40,356
Total current assets	566,946	578,439	495,830
Property and equipment, net	136,714	153,003	145,288
Operating lease right-of-use asset	33,989	37,882	35,475
Goodwill	106,700	106,700	106,700
Intangible asset, net	257,000	257,000	257,000
Other assets	4,347	4,300	5,215
TOTAL ASSETS	$ 1,105,696	$ 1,137,324	$ 1,045,508
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Current portion of long-term debt	$ 13,750	$ —	13,750
Accounts payable	211,916	202,629	134,007
Lease liability - current	5,437	5,676	5,183
Other current liabilities	130,285	99,016	161,982
Total current liabilities	361,388	307,321	314,922
Long-term borrowings on ABL Facility	25,000	—	25,000
Long-term debt, net	240,020	381,909	245,632
Lease liability - long-term	35,912	40,588	37,811
Deferred tax liabilities	47,469	65,619	47,346
Other liabilities	6,084	5,530	5,094
TOTAL LIABILITIES	715,873	800,967	675,805
Commitments and contingencies			
STOCKHOLDERS' EQUITY			
Common stock, par value $0.01 authorized: 480,000 shares; issued and outstanding: 32,981, 32,604 and 32,614, respectively	330	326	326
Additional paid-in capital	370,353	364,773	369,372
Retained earnings (accumulated deficit)	30,086	(15,877)	11,226
Accumulated other comprehensive loss	(10,946)	(12,865)	(11,221)
TOTAL STOCKHOLDERS' EQUITY	389,823	336,357	369,703
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,105,696	$ 1,137,324	$ 1,045,508

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in thousands)	26 Weeks Ended July 30, 2021	26 Weeks Ended July 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ 18,860	$ (16,267)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	19,695	18,164
Amortization of debt issuance costs	1,597	858
Loss on property and equipment	443	887
Stock-based compensation	6,069	4,542
Deferred income taxes	46	7,936
Goodwill impairment	—	3,300
Other	194	1,115
Change in operating assets and liabilities:		
Accounts receivable	7,071	26,966
Inventories	(81,971)	(65,553)
Accounts payable	78,376	48,858
Other operating assets	10,615	(11,361)
Other operating liabilities	(30,470)	(11,461)
Net cash provided by operating activities	30,525	7,984
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(11,961)	(19,758)
Net cash used in investing activities	(11,961)	(19,758)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings under ABL Facility	75,000	75,000
Payments of borrowings under ABL Facility	(75,000)	(75,000)
Principal payments on long-term debt, net	(6,875)	(2,575)
Payments of employee withholding taxes on share-based compensation	(5,084)	(423)
Payment of debt-issuance costs	(932)	—
Net cash used in financing activities	(12,891)	(2,998)
Effects of exchange rate changes on cash, cash equivalents and restricted cash	(142)	(58)
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	5,531	(14,830)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	35,794	79,297
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	$ 41,325	$ 64,467
SUPPLEMENTAL CASH FLOW DATA		
Unpaid liability to acquire property and equipment	$ 2,726	$ 2,303
Income taxes paid, net of refunds	$ 18,338	$ (47)
Interest paid	$ 16,306	$ 9,087
Lease liabilities arising from obtaining operating lease right-of-use assets	$ 1,161	$ 3,525

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
Condensed Consolidated Statements of Changes in Stockholders' Equity
(Unaudited)

(in thousands)	Common Stock Issued Shares	Common Stock Issued Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
Balance at January 29, 2021	32,614	$ 326	$ 369,372	$ 11,226	$ (11,221)	$ 369,703
Net income	—	—	—	2,639	—	2,639
Cumulative translation adjustment, net of tax	—	—	—	—	311	311
Stock-based compensation expense	—	—	2,513	—	—	2,513
Vesting of restricted shares	553	4	(4)	—	—	—
Restricted stock shares surrendered for taxes	(190)	—	(5,013)	—	—	(5,013)
Balance at April 30, 2021	32,977	$ 330	$ 366,868	$ 13,865	$ (10,910)	$ 370,153
Net income	—	—	—	16,221	—	16,221
Cumulative translation adjustment, net of tax	—	—	—	—	(36)	(36)
Stock-based compensation expense	—	—	3,556	—	—	3,556
Vesting of restricted shares	7	—	—	—	—	—
Restricted stock shares surrendered for taxes	(3)	—	(71)	—	—	(71)
Balance at July 30, 2021	32,981	$ 330	$ 370,353	$ 30,086	$ (10,946)	$ 389,823

(in thousands)	Common Stock Issued Shares	Common Stock Issued Amount	Additional Paid-in Capital	Retained Earnings/ (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
Balance at January 31, 2020	32,382	$ 324	$ 360,656	$ 390	$ (12,988)	$ 348,382
Net loss	—	—	—	(20,643)	—	(20,643)
Cumulative translation adjustment, net of tax	—	—	—	—	(1,259)	(1,259)
Stock-based compensation expense	—	—	1,828	—	—	1,828
Vesting of restricted shares	275	2	(2)	—	—	—
Restricted stock shares surrendered for taxes	(61)	—	(410)	—	—	(410)
Balance at May 1, 2020	32,596	$ 326	$ 362,072	$ (20,253)	$ (14,247)	$ 327,898
Net income	—	—	—	4,376	—	4,376
Cumulative translation adjustment, net of tax	—	—	—	—	1,382	1,382
Stock-based compensation expense	—	—	2,714	—	—	2,714
Vesting of restricted shares	10	—	—	—	—	—
Restricted stock shares surrendered for taxes	(2)	—	(13)	—	—	(13)
Balance at July 31, 2020	32,604	$ 326	$ 364,773	$ (15,877)	$ (12,865)	$ 336,357

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. BACKGROUND AND BASIS OF PRESENTATION

Description of Business

Lands' End, Inc. ("Lands' End" or the "Company") is a leading uni-channel retailer of casual clothing, accessories, footwear and home products. Lands' End offers products online at www.landsend.com, on third-party online marketplaces and through its own Company Operated stores, as well as third-party retail locations. Lands' End is a classic American lifestyle brand with a passion for quality, legendary service and real value and seeks to deliver timeless style for women, men, kids and home.

Terms that are commonly used in the Company's Notes to Condensed Consolidated Financial Statements are defined as follows:

- ABL Facility - Asset-based senior secured credit agreements, providing for a revolving facility, dated as of November 16, 2017, with Wells Fargo Bank, N.A. and certain other lenders, as amended to date
- Adjusted EBITDA - Net income (loss) appearing on the Condensed Consolidated Statements of Operations net of Income tax expense/(benefit), Interest expense, Depreciation and amortization and certain significant items
- ASC – Financial Accounting Standards Board Accounting Standards Codification, which serves as the source for authoritative GAAP, as supplemented by rules and interpretive releases by the SEC which are also sources of authoritative GAAP for SEC registrants
- ASU – Financial Accounting Standards Board Accounting Standards Update
- CARES Act – The Coronavirus Aid, Relief and Economic Security Act signed into law on March 27, 2020
- Company Operated stores – Lands' End retail stores in the Retail channel
- Current Term Loan Facility – Term loan credit agreement, dated as of September 9, 2020, among the Company, Fortress Credit Corp., as Administrative Agent and Collateral Agent, and the lenders party thereto
- Debt Facilities - Collectively, the Current Term Loan Facility and ABL Facility
- Deferred Awards - Time vesting stock awards
- EPS - Earnings per share
- FASB - Financial Accounting Standards Board
- First Quarter 2021 – The 13 weeks ended April 30, 2021
- First Quarter 2020 - The 13 weeks ended May 1, 2020
- Fiscal 2022 – The 52 weeks ending January 27, 2023
- Fiscal 2021 - The 52 weeks ending January 28, 2022
- Fiscal 2020 - The 52 weeks ended January 29, 2021
- Former Term Loan Facility - Term loan credit agreements, dated as of April 4, 2014, with Bank of America, N.A. and certain other lenders, and replaced by the Current Term Loan Facility on September 9, 2020
- GAAP - Accounting principles generally accepted in the United States
- LIBOR - London inter-bank offered rate

- Option Awards - Stock option awards
- Performance Awards - Performance-based stock awards
- SEC – United States Securities and Exchange Commission
- Second Quarter 2021 – The 13 weeks ended July 30, 2021
- Second Quarter 2020 – The 13 weeks ended July 31, 2020
- Third Quarter 2021 – The 13 weeks ending October 29, 2021
- Third Quarter 2020 – The 13 weeks ended October 30, 2020
- Year-to-Date 2021 - The 26 weeks ended July 30, 2021
- Year-to-Date 2020 - The 26 weeks ended July 31, 2020
- Year-to-Date 2019 – The 26 weeks ended August 2, 2019

Basis of Presentation

The Condensed Consolidated Financial Statements include the accounts of Lands' End, Inc., and its subsidiaries. All intercompany transactions and balances have been eliminated.

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with GAAP for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all material adjustments which are of a normal and recurring nature necessary for a fair presentation of the results for the periods presented have been reflected. Dollar amounts are reported in thousands, except per share data, unless otherwise noted. Interim results are not necessarily indicative of results for a full year. The information included in this Form 10-Q should be read in conjunction with information included in the Lands' End Annual Report on Form 10-K filed with the SEC on March 25, 2021.

Impact of the COVID-19 Pandemic

COVID-19 surfaced in late 2019 and in March 2020, the World Health Organization declared COVID-19 a pandemic. The onset of the COVID-19 pandemic had a disruptive impact on the Company’s business operations and an unfavorable impact on the Company’s results of operations during the first half of Fiscal 2020. During the Second Quarter 2020, the Company began a significant recovery that continued to build on the momentum experienced before the COVID-19 pandemic. The Company’s strong foundation and ongoing enhancements across the four strategic pillars of product, digital, uni-channel distribution and business processes supported the Company during this COVID-19 pandemic and continues to support the strength of the Company’s financial performance and encouraging customer metrics. The ultimate timing and impact of customer demand levels across all distribution channels will depend on the duration and scope of the COVID-19 pandemic, overall economic conditions and consumer preferences. The COVID-19 pandemic continues to adversely impact the Company in its supply chain and remains a threat to the Company’s workforce.

Health and Safety of Employees and Consumers

From the beginning of the COVID-19 pandemic, the Company’s priority has been the safety of employees and customers. On March 16, 2020, the Company temporarily closed its Company Operated stores. These stores reopened during Second Quarter 2020. Additionally, the Company opened four new U.S. Company Operated stores in Second Quarter 2020. These new stores were already planned, and construction was underway prior to the start of the COVID-19 pandemic. Since the onset of the COVID-19 pandemic, the Company has taken extra precautions in its offices and distribution centers which have varied from time to time based on the then current guidance from global, federal and state health authorities. These measures have included COVID-19 retail guidelines, work-from-home policies, social distancing, masking, thermal scanning and partitions in all facilities. With the emergence of the delta variant of COVID-19, the Company has been required to keep these measures in place longer than anticipated.

Supply Chain

The COVID-19 pandemic continues to cause supply chain disruptions across all industries, and the Company continually monitors its supply chain for manufacturing and transportation delays caused or exacerbated by the COVID-19 pandemic. In the first half of Fiscal 2021, the COVID-19 pandemic impacted the Company's distribution centers, third-party manufacturing partners and logistics partners, including freight capacity, port congestion, other logistics constraints, and closure of certain third-party manufacturing facilities and production lines. These disruptions and constraints resulted in later timing of Spring 2021 inventory receipts and deliveries, as well as higher freight, distribution and other supply chain costs. These disruptions have led, at times, to lower inventory positions and higher than normal back orders, as manufacturing, transport, receipt and stocking of inbound product is delayed. In addition, increased demand for parcel delivery has led to carrier limitations, as well as rate surcharges, throughout the industry, generally, and for the Company, in particular.

The Company expects these supply chain disruptions and constraints and increases in costs to continue through the balance of Fiscal 2021 and into Fiscal 2022. As a result of these impacts, the Company anticipates later than expected fall and holiday season inventory receipts and deliveries to the Company's wholesale customers and inventory availability for the Company's distribution channels. These additional costs and shipping delays may impact the Company's future net sales and gross margin results, depending upon the ultimate timing of delivery and availability of product to sell.

Expense Reduction

Beginning in First Quarter 2020, the Company took aggressive actions to reduce overall expenses as a response to decreased customer demand due to the COVID-19 pandemic. The Company reduced operating expenses and structural costs by enacting employee furloughs and temporary tiered salary reductions for the executive team and corporate staff. In addition, other discretionary operating expenses and planned capital expenditures for Fiscal 2020 were significantly reduced. As the COVID-19 pandemic continues and new variants emerge, the Company will continue to monitor the impact of the COVID-19 pandemic to manage overall expenses.

Goodwill and Indefinite-Lived Intangible Asset

The Company considered the COVID-19 pandemic to be a triggering event in First Quarter 2020 for the Company's Outfitters and Japan eCommerce reporting units and therefore completed an interim test for impairment of goodwill for these reporting units as of May 1, 2020. The testing resulted in no impairment of the Company's Outfitters reporting unit and full impairment of the $3.3 million of goodwill allocated to the Company's Japan eCommerce reporting unit. There was not a triggering event or impairment charge Year-to-Date 2021.

NOTE 2. RECENT ACCOUNTING PRONOUNCEMENTS

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): "Simplifying the Accounting for Income Taxes", which is intended to simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740 and by clarifying and amending existing guidance to improve consistent application. This ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Certain amendments within this ASU are required to be applied on a retrospective basis, certain other amendments are required to be applied on a modified retrospective basis and all other amendments on a prospective basis. The Company adopted this standard in First Quarter 2021 and the adoption did not have a material impact on the Company's Condensed Consolidated Financial Statements and related disclosures.

NOTE 3. EARNINGS (LOSS) PER SHARE

The numerator for both basic and diluted EPS is net income (loss). The denominator for basic EPS is based upon the number of weighted average shares of Lands' End common stock outstanding during the reporting periods. The denominator for diluted EPS is based upon the number of weighted average shares of Lands' End common stock and common stock equivalents outstanding during the reporting periods using the treasury stock method in accordance with GAAP. Potentially dilutive securities for the diluted EPS calculations consist of non-vested equity shares of common stock and in-the-money outstanding options where the current stock price exceeds the option strike price.

The following table summarizes the components of basic and diluted EPS:

(in thousands, except per share amounts)	13 Weeks Ended July 30, 2021	13 Weeks Ended July 31, 2020	26 Weeks Ended July 30, 2021	26 Weeks Ended July 31, 2020
Net income (loss)	$ 16,221	$ 4,376	$ 18,860	$ (16,267)
Basic weighted average common shares outstanding	32,979	32,600	32,875	32,524
Dilutive effect of stock awards	734	238	835	—
Diluted weighted average common shares outstanding	33,713	32,838	33,710	32,524
Basic earnings (loss) per share	$ 0.49	$ 0.13	$ 0.57	$ (0.50)
Diluted earnings (loss) per share	$ 0.48	$ 0.13	$ 0.56	$ (0.50)

Stock awards are considered anti-dilutive based on the application of the treasury stock method or in the event of a net loss. Anti-dilutive shares excluded from the diluted weighted average shares outstanding were 89 anti-dilutive shares in the 13 weeks ended July 30, 2021, 978,983 anti-dilutive shares in the 13 weeks ended July 31, 2020, 44 anti-dilutive shares in the 26 weeks ended July 30, 2021 and 1,216,830 anti-dilutive shares in the 26 weeks ended July 31, 2020.

NOTE 4. OTHER COMPREHENSIVE LOSS

Other comprehensive loss encompasses all changes in equity other than those arising from transactions with stockholders and is comprised solely of foreign currency translation adjustments.

(in thousands)	13 Weeks Ended July 30, 2021	13 Weeks Ended July 31, 2020	26 Weeks Ended July 30, 2021	26 Weeks Ended July 31, 2020
Beginning balance: Accumulated other comprehensive loss (net of tax of $2,900, $3,790, $2,987, and $3,453, respectively)	$ (10,910)	$ (14,247)	$ (11,221)	$ (12,988)
Other comprehensive loss:				
Foreign currency translation adjustments (net of tax of $10, $(370), $(77) and $(33), respectively)	(36)	1,382	275	123
Ending balance: Accumulated other comprehensive loss (net of tax of $2,910, $3,420, $2,910 and $3,420, respectively)	$ (10,946)	$ (12,865)	$ (10,946)	$ (12,865)

No amounts were reclassified out of Accumulated other comprehensive loss during any of the periods presented.

NOTE 5. DEBT

ABL Facility

The Company’s $275.0 million revolving ABL Facility includes a $70.0 million sublimit for letters of credit and is available for working capital and other general corporate liquidity needs. The balance outstanding was $25.0 million and zero on July 30, 2021 and July 31, 2020, respectively. The balance of outstanding letters of credit was $16.7 million and $12.0 million on July 30, 2021 and July 31, 2020, respectively.

During Fiscal 2020, the Company exercised the “accordion” feature under the ABL Facility increasing the maximum borrowings available under the facility from $175.0 million to $275.0 million, subject to a borrowing base (the “Loan Cap”). This was completed in two separate transactions. The first was a $25.0 million increase effective March 19, 2020 and the second was a $75.0 million increase effective September 9, 2020. The latter was completed through the Second Amendment to the ABL Facility executed on August 12, 2020.

On July 29, 2021, the Company executed the Third Amendment to the ABL Facility resulting in favorable financial terms compared to the Second Amendment to the ABL Facility and extension of the maturity date of the ABL Facility, as discussed below.

Long-Term Debt

On September 9, 2020, the Company entered into the Current Term Loan Facility which provides a term loan facility of $275.0 million, the proceeds of which were used, along with borrowings of $125.0 million under the ABL Facility, to repay all of the indebtedness under the Former Term Loan Facility and to pay fees and expenses in connection with the financing. Origination costs, including an Original Issue Discount (“OID”) of 3% and $5.1 million in debt origination fees, were paid upon entering into the Current Term Loan Facility. The OID and the debt origination fees are presented as a direct deduction from the carrying value of the Current Term Loan Facility and are amortized over the term of the loan to Interest expense in the Condensed Consolidated Statements of Operations.

The Company's long-term debt consisted of the following:

	July 30, 2021		July 31, 2020		January 29, 2021	
(in thousands)	Amount	Interest Rate	Amount	Interest Rate	Amount	Interest Rate
Former Term Loan Facility	$ —	—%	$ 382,812	4.25%	$ —	—%
Current Term Loan Facility, maturing September 9, 2025	264,688	10.75%	—	—%	271,563	10.75%
	264,688		382,812		271,563	
Less: Current portion of long-term debt	13,750		—		13,750	
Less: Unamortized debt issuance costs	10,918		903		12,181	
Long-term debt, net	$ 240,020		$ 381,909		$ 245,632	

The following table summarizes the Company's borrowing availability under the ABL Facility:

	July 30, 2021		July 31, 2020		January 29, 2021	
(in thousands)	Amount	Interest Rate	Amount	Interest Rate	Amount	Interest Rate
ABL Facility maximum borrowing	$ 275,000		$ 200,000		$ 275,000	
Less: Outstanding borrowings	25,000	2.75%	—	—%	25,000	3.00%
Less: Outstanding letters of credit	16,693		12,020		27,131	
Borrowing availability under ABL Facility	$ 233,307		$ 187,980		$ 222,869	

Interest; Fees

Between September 9, 2020 and July 30, 2021, the ABL Facility provided that for LIBOR loans, the interest rate is LIBOR (subject to an interest rate floor of 0.75%) plus a borrowing margin which was, where the average daily total loans outstanding for the previous quarter were (i) less than $50.0 million, 1.75%, (ii) equal to or greater than $50.0 million but less than $100.0 million, 2.00%, (iii) equal to or greater than $100.0 million but less than $200.0 million, 2.25%, and (iv) greater than $200.0 million, 3.50%. For Base Rate loans, the borrowing margin was, where the average daily total loans outstanding for the previous quarter were (i) less than $50.0 million for the previous quarter, 1.00%, (ii) equal to or greater than $50.0 million but less than $100.0 million, 1.25%, (iii) equal to or greater than $100.0 million but less than $200.0 million, 1.50%, and (iv) greater than $200.0 million, 2.75%.

Pursuant to the Third Amendment of the ABL Facility for LIBOR loans, commencing July 31, 2021 the borrowing margin will be, where the average daily total loans outstanding for the previous quarter are (i) less than $95.0 million, 1.25%, (ii) equal to or greater than $95.0 million but less than $180.0 million, 1.50%, and (iii) greater than or equal to $180.0 million, 1.75%. For Base Rate loans, the borrowing margin will be, where the average daily total loans outstanding for the previous quarter are (i) less than $95.0 million for the previous quarter, 0.50%, (ii) equal to or greater than $95.0 million but less than $180.0 million, 0.75%, and (iii) greater than or equal to $180.0 million, 1.00%. The Third Amendment to the ABL Facility replaced the 0.75% LIBOR floor with a 0.00% LIBOR floor.

The interest rates per annum applicable to the loans under the Current Term Loan Facility are based on a fluctuating rate of interest measured by reference to, at the borrowers’ election, either (1) an adjusted LIBOR rate (with a minimum rate of 1.00%) plus 9.75%, or (2) an alternative base rate (which is the greater of (i) the prime rate published in the Wall Street Journal, (ii) the federal funds rate, which shall be no lower than 0.00% plus ½ of 1.00%, and (iii) the one month LIBOR rate plus 1.00% per annum) plus 8.75%.

Pursuant to the Second Amendment to the ABL Facility, the ABL Facility fees also included (i) commitment fees which range from 0.25% to 0.375% based upon the average daily unused commitment (aggregate commitment less loans and letter of credit outstanding) under the ABL Facility for the preceding fiscal quarter and (ii) customary letter of credit fees.

Effective with the Third Amendment to the ABL Facility, the ABL Facility fees include (i) commitment fees of 0.25% based upon the average daily unused commitment (aggregate commitment less loans and letter of credit outstanding) under the ABL Facility for the preceding fiscal quarter and (ii) customary letter of credit fees. As of the end of Second Quarter 2021, the Company had borrowings of $25.0 million on the ABL Facility.

Customary agency fees are payable in respect of the Debt Facilities.

Maturity; Amortization and Prepayments

The Third Amendment to the ABL Facility extended the maturity from November 16, 2022 to the earlier of (a) July 29, 2026 and (b) June 9, 2025 if, on or prior to such date, the Current Term Loan Facility has not been refinanced, extended or repaid in full in accordance with the terms thereof and not replaced with other indebtedness.

The Current Term Loan Facility matures on September 9, 2025 and amortizes at a rate equal to 1.25% per quarter. It is subject to mandatory prepayments in an amount equal to a percentage of the borrower’s excess cash flows in each fiscal year, ranging from 0% to 75% depending on the Company’s total leverage ratio, and with the proceeds of certain asset sales, casualty events and extraordinary receipts. The loan may not be voluntarily prepaid during the first two years of its term, without significant penalties. A prepayment premium is applicable to voluntary prepayments and certain mandatory prepayments made prior to the fourth anniversary of the closing date of the Current Term Loan Facility.

Guarantees; Security

All obligations under the Debt Facilities are unconditionally guaranteed by Lands’ End, Inc. and, subject to certain exceptions, each of its existing and future direct and indirect subsidiaries. The ABL Facility is secured by a first priority security interest in certain working capital of the borrowers and guarantors consisting primarily of accounts receivable and inventory. The Current Term Loan Facility is secured by a second priority security interest in the same collateral with certain exceptions.

The Current Term Loan Facility is secured by a first priority security interest in certain property and assets of the borrowers and guarantors, including certain fixed assets such as real estate, stock of the subsidiaries and intellectual property, in each case, subject to certain exceptions. The ABL Facility is secured by a second priority interest in the same collateral, with certain exceptions.

The Former Term Loan Facility, which was replaced by the Current Term Loan Facility on September 9, 2020, had the same priority security interest in the same collateral, with certain exceptions.

Representations and Warranties; Covenants

Subject to specified exceptions, the Debt Facilities contain various representations and warranties, and restrictive covenants that, among other things and subject to specified exceptions, restrict Lands’ End, Inc.’s and its subsidiaries’ ability to incur indebtedness (including guarantees), grant liens, make investments, make dividends or distributions with respect to capital stock, make prepayments on other indebtedness, engage in mergers or change the nature of their business.

The Current Term Loan Facility is subject to certain financial covenants, including a quarterly maximum total leverage ratio test, a weekly minimum liquidity test and an annual maximum capital expenditure amount.

Under the ABL Facility, if excess availability falls below the greater of 10% of the Loan Cap amount or $15.0 million, the Company will be required to comply with a minimum fixed charge coverage ratio of 1.0 to 1.0.

Effective with the Second Amendment to the ABL Facility, the ABL Facility had a cash maintenance provision which applied a limit of $75.0 million on the amount of cash and cash equivalents (subject to certain exceptions) that the Company could hold when outstanding loans under the ABL Facility equaled or exceeded $125.0 million. The Third Amendment to the ABL Facility eliminated this cash maintenance provision.

The Debt Facilities contain certain affirmative covenants, including reporting requirements such as delivery of financial statements, certificates and notices of certain events, maintaining insurance, and providing additional guarantees and collateral in certain circumstances.

As of July 30, 2021, the Company was in compliance with all of its covenants in the Debt Facilities.

Events of Default

The Debt Facilities include customary events of default including non-payment of principal, interest or fees, violation of covenants, inaccuracy of representations or warranties, cross defaults related to certain other material indebtedness, bankruptcy and insolvency events, invalidity or impairment of guarantees or security interests, and material judgments and change of control.

NOTE 6. STOCK-BASED COMPENSATION

The Company expenses the fair value of all stock awards over their respective vesting periods, ensuring that, the amount of cumulative compensation cost recognized at any date is at least equal to the portion of the grant-date fair value of the award that is vested at that date. The Company has elected to adjust compensation expense for an estimated forfeiture rate for those shares not expected to vest and to recognize compensation cost on a straight-line basis for awards that only have a service requirement with multiple vest dates.

The Company has granted the following types of stock awards to employees at management levels and above, each of which are granted under the Company’s stockholder approved stock plans, other than March 6, 2017 grants to the Company’s Chief Executive Officer which were made as inducement grants outside of the Company’s stockholder approved stock plans in accordance with NASDAQ Listing Rule 5635(c)(4):

i. Time vesting stock awards ("Deferred Awards") are in the form of restricted stock units and only require each recipient to complete a service period for the award to be earned. Deferred Awards generally vest over three years. The fair value of Deferred Awards is based on the closing price of the Company's common stock on the grant date and is reduced for estimated forfeitures of those awards not expected to vest due to employee turnover.

ii. Performance-based stock awards ("Performance Awards") are in the form of restricted stock units and have, in addition to a service requirement, performance criteria that must be achieved for the awards to be earned. For Performance Awards the Target Shares earned can range from 50% to 200% once minimum thresholds have been reached and depend on the achievement of Adjusted EBITDA and revenue performance measures for the cumulative three-fiscal year performance period beginning with the fiscal year of the grant date. The applicable percentage of the Target Shares, as determined by performance, vest after the completion of the applicable three-year performance period and upon determination of achievement of the performance measures by the Compensation Committee of the Board of Directors, and unearned Target Shares are forfeited. The fair value of the Performance Awards is based on the closing price of the Company’s common stock on the grant date. Stock based compensation expense is recognized ratably over the related service period, reduced for estimated forfeitures of those awards not expected to vest due to employee turnover, and adjusted based on the Company's estimate of the percentage of the aggregate Target Shares expected to be earned. The 2018 Performance Awards vested on March 25, 2021 at 111%. The compensation expense associated with the 2021 Performance Awards and 2019 Performance Awards are accrued at 193% and 147% of Target Shares, respectively.

iii. Stock option awards ("Option Awards") provide the recipient with the option to purchase a set number of shares at a stated exercise price over the term of the contract, which is ten years for all Option Awards currently outstanding. Options are granted with a strike price equal to the stock price on the date of grant and vest ratably over a four-year period. The fair value of each Option Award is estimated on the grant date using the Black-Scholes option pricing model.

The following table provides a summary of the Company's stock-based compensation expense, which is included in Selling and administrative expense in the Condensed Consolidated Statements of Operations:

	13 Weeks Ended		26 Weeks Ended	
(in thousands)	**July 30, 2021**	**July 31, 2020**	**July 30, 2021**	**July 31, 2020**
Deferred awards	$ 1,484	$ 1,383	$ 2,845	$ 3,024
Performance awards	2,072	1,144	3,121	1,144
Option awards	—	187	103	374
Total stock-based compensation expense	$ 3,556	$ 2,714	$ 6,069	$ 4,542

The following table provides a summary of the Deferred Awards activity for Year-to-Date 2021:

(in thousands, except per share amounts)	Deferred Awards Number of Shares	Deferred Awards Weighted Average Grant Date Fair Value per Share
Unvested as of January 29, 2021	1,093	$ 10.86
Granted	245	29.95
Vested	(395)	13.85
Forfeited or expired	(12)	11.49
Unvested as of July 30, 2021	931	14.61

Total unrecognized stock-based compensation expense related to unvested Deferred Awards was approximately $10.5 million as of July 30, 2021, which is expected to be recognized ratably over a weighted average period of 2.2 years. Deferred Awards granted to employees during Fiscal 2021 vest ratably over a period of three years.

The following table provides a summary of the Performance Awards activity for Year-to-Date 2021:

(in thousands, except per share amounts)	Performance Awards Number of Shares	Performance Awards Weighted Average Grant Date Fair Value per Share
Unvested as of January 29, 2021	393	$ 18.32
Granted [1]	166	29.95
Vested	(165)	21.90
Forfeited or expired	—	—
Unvested as of July 30, 2021	394	21.72

(1) Performance shares granted assume achievement performance at 100% of target.

Total unrecognized stock-based compensation expense related to unvested Performance Awards was approximately $9.8 million as of July 30, 2021, which is expected to be recognized ratably over a weighted average period of 2.3 years. Performance Awards granted to employees during Fiscal 2021 and Fiscal 2019 vest, if earned, after completion of the applicable three-year performance period.

The following table provides a summary of the Options Award activity for Year-to-Date 2021:

(in thousands, except per share amounts)	Option Awards Number of Shares	Option Awards Weighted Average Grant Date Fair Value per Share
Unvested as of January 29, 2021	85	$ 8.73
Granted	—	—
Vested	(85)	8.73
Forfeited or expired	—	—
Unvested as of July 30, 2021	—	—

As of July 30, 2021, there were no unvested Option Awards. The Option Awards have a contractual term of ten years and vested ratably over the first four years. As of July 30, 2021, 343,135 shares related to Option Awards were exercisable. No options have been exercised as of July 30, 2021.

NOTE 7. FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND LIABILITIES

Restricted cash is reflected on the Condensed Consolidated Balance Sheets at fair value. The fair value of restricted cash was $2.1 million, $1.8 million and $1.9 million as of July 30, 2021, July 31, 2020 and January 29, 2021, respectively based on Level 1 inputs. Restricted cash amounts are valued based upon statements received from financial institutions.

Carrying values and fair values of long-term debt, including current portion, in the Condensed Consolidated Balance Sheets are as follows:

	July 30, 2021		July 31, 2020		January 29, 2021	
(in thousands)	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Long-term debt, including current portion	$ 264,688	$ 263,030	$ 382,812	$ 352,666	$ 271,563	$ 277,265

Long-term debt, including current portion, was valued utilizing Level 3 valuation techniques based on a third-party analysis on July 30, 2021 and January 29, 2021. The fair value of the debt on July 31, 2020 was determined utilizing Level 2 techniques based on the closing inactive market bid price on July 31, 2020. There were no nonfinancial assets or nonfinancial liabilities recognized at fair value on a nonrecurring basis as of July 30, 2021, July 31, 2020, and January 29, 2021.

NOTE 8. INCOME TAXES

Provision for Income Taxes

At the end of each quarter, the Company estimates its effective income tax rate pursuant to ASC 740. The rate for the period consists of the tax rate expected to be applied for the full year to ordinary income adjusted for any discrete items recorded in the period.

The Company recorded a tax expense at an overall effective tax rate of 28.3% and 11.5% for the Second Quarter 2021 and 2020, respectively. The Second Quarter 2021 rate is higher than Second Quarter 2020 primarily as a result of changes in estimates due to uncertainties related to the Company’s performance as a result of the COVID-19 pandemic in 2020. The Company recorded a tax expense at an overall effective tax rate of 26.4% for Year-to-Date 2021 and a tax benefit of 34.7% for Year-to-Date 2020. The Year-to-Date 2021 rate is lower than Year-to-Date 2020 primarily due to the generation of pretax income in 2021 compared to a pretax loss in 2020 in addition to the estimated tax benefits recorded as a result of the CARES Act in 2020.

NOTE 9. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is party to various claims, legal proceedings and investigations arising in the ordinary course of business. Some of these actions involve complex factual and legal issues and are subject to uncertainties. At this time, the Company is not able to either predict the outcome of these legal proceedings or reasonably estimate a potential range of loss with respect to the proceedings. While it is not feasible to predict the outcome of such pending claims, proceedings and investigations with certainty, management is of the opinion that their ultimate resolution should not have a material adverse effect on results of operations, cash flows or financial position taken as a whole.

As disclosed in the Company’s Annual Report on Form 10-K for the year ended January 29, 2021, the Company is the defendant in three separate lawsuits, each of which allege adverse health events and personal property damage as a result of wearing uniforms manufactured by Lands’ End: (1) *Gilbert et al. v. Lands' End, Inc*., United States District Court for the Western District of Wisconsin, Civil Action No. 3:19-cv-00823-JDP, complaint filed October 3, 2019; (2) *Andrews et al. v. Lands' End, Inc.*, United States District Court for the Western District of Wisconsin, Civil Action No. 3:19-cv-01066-JDP, complaint filed on December 31, 2019, on behalf of 521 named plaintiffs, later amended to include 1,089 named plaintiffs; and (3) *Davis et al. v. Lands' End, Inc. and Lands' End Business Outfitters, Inc.*, United States District Court for the Western District of Wisconsin, Case No. 3:20-cv-00195, complaint filed on March 4, 2020. Plaintiffs in *Gilbert, Andrews, and Davis* seek nationwide class certification on behalf of similarly situated Delta employees.

By order dated April 20, 2020, the Court consolidated the *Gilbert* and *Andrews* cases (the “Consolidated Wisconsin Action”) and stayed the *Davis* case.

Plaintiffs in the Consolidated Wisconsin Action and Davis each assert that the damages sustained by the members of the proposed class exceed $5,000,000. Plaintiffs in each case seek damages for personal injuries, pain and suffering, severe emotional distress, financial or economic loss, including medical services and expenses, lost income and other compensable injuries. Plaintiffs in the Consolidated Wisconsin Action seek class certification with respect to performance of the uniforms and warranty claims and maintain individual claims for personal injury by numerous named plaintiffs.

On August 18, 2021, the Court ruled on several pending motions. The Court denied Plaintiffs' motion for class certification with respect to performance of the uniforms and warranty claims. The Court denied Plaintiffs' motion for partial summary judgment regarding crocking claims and granted Lands' End's motion for partial summary judgment related to certain warranty claims. In addition, giving effect to both the addition and voluntary dismissal of individual plaintiffs over the course of the litigation, the number of individual plaintiffs had been reduced from 1,089 to 603 as of August 18, 2021. On September 1, 2021, Plaintiffs filed a Rule 23(f) petition, seeking interlocutory review of the Court's decision denying class certification.

The Consolidated Wisconsin Action continues to be in discovery. Lands' End is vigorously defending these lawsuits and believes they are without merit.

NOTE 10. SEGMENT REPORTING

The Company's operating segments consist of: U.S. eCommerce, Europe eCommerce, Japan eCommerce, Outfitters, Third Party and Retail. The Company determined that each of the operating segments have similar economic and other qualitative characteristics thus the results of the operating segments are aggregated into one reportable external segment, consistent with the Company's multi-channel business approach.

Lands' End identifies five separate distribution channels for revenue reporting purposes:

- *U.S. eCommerce* offers products through the Company's eCommerce website utilizing digital marketing and direct mail catalogs.
- *International* offers products primarily to consumers located in Europe and Japan through eCommerce international websites and third-party affiliates.
- *Outfitters* sells uniform and logo apparel to businesses and their employees, as well as to student households through school relationships, located primarily in the U.S., through negotiated arrangements to make specific styles or customized products which are made available for purchase on the Company's eCommerce websites.
- *Third Party* sells the same products as U.S. eCommerce but direct to consumers through third-party marketplace websites and through domestic wholesale customers.
- *Retail* sells products through Company Operated stores.

Net revenue is presented by distribution channel in the following table:

	13 Weeks Ended		26 Weeks Ended	
(in thousands)	**July 30, 2021**	**July 31, 2020**	**July 30, 2021**	**July 31, 2020**
Net revenue:				
U.S. eCommerce	$ 237,618	$ 220,906	$ 441,191	$ 359,743
International	47,819	44,187	104,263	85,386
Outfitters	65,633	37,416	106,313	69,215
Third Party	19,098	5,108	30,902	6,614
Retail	13,941	4,466	22,737	8,133
Total net revenue	$ 384,109	$ 312,083	$ 705,406	$ 529,091

NOTE 11. REVENUE

Revenue includes sales of merchandise and delivery revenue related to merchandise sold. Substantially all of the Company's revenue is recognized when control of product passes to customers, which for the eCommerce, Outfitters and Third Party channels is when the merchandise is expected to be received by the customer and for the Retail channel is at the time of sale in the store. The Company recognizes revenue, including shipping and handling fees billed to customers, in the amount expected to be received when control of the Company's products transfers to customers, and is presented net of various forms of promotions, which range from contractually-fixed percentage price reductions to sales returns, discounts, and other incentives that may vary in amount. Variable amounts are estimated based on an analysis of historical experience and adjusted as better estimates become available.

The Company's revenue is disaggregated by distribution channel and geographic location. Revenue by distribution channel is presented in Note 10, *Segment Reporting*. Revenue by geographic location was:

	13 Weeks Ended		26 Weeks Ended	
(in thousands)	July 30, 2021	July 31, 2020	July 30, 2021	July 31, 2020
Net revenue:				
United States	$ 330,890	$ 264,162	$ 591,296	$ 436,906
Europe	38,019	32,375	84,906	62,775
Asia	10,490	12,304	20,549	23,653
Other	4,710	3,242	8,655	5,757
Total net revenue	$ 384,109	$ 312,083	$ 705,406	$ 529,091

Contract Liabilities

Contract liabilities consist of payments received in advance of the transfer of control to the customer. As products are delivered and control transfers, the Company recognizes the deferred revenue in Net revenue in the Condensed Consolidated Statements of Operations. The following table summarizes the deferred revenue associated with payments received in advance of the transfer of control to the customer, which is reported in Other current liabilities in the Condensed Consolidated Balance Sheets, as well as amounts recognized through Net revenue for each period presented. The majority of deferred revenue as of July 30, 2021 is expected to be recognized in Net revenue in the fiscal quarter ending October 29, 2021, as products are delivered to customers.

	13 Weeks Ended		26 Weeks Ended	
(in thousands)	July 30, 2021	July 31, 2020	July 30, 2021	July 31, 2020
Deferred revenue beginning of period	$ 25,374	$ 15,896	$ 17,187	$ 8,096
Deferred revenue recognized in period	(25,160)	(15,896)	(16,973)	(8,096)
Revenue deferred in period	18,141	11,901	18,141	11,901
Deferred revenue end of period	$ 18,355	$ 11,901	$ 18,355	$ 11,901

Revenue from gift cards is recognized when (i) the gift card is redeemed by the customer for merchandise, or (ii) as gift card breakage, an estimate of gift cards which will not be redeemed where the Company does not have a legal obligation to remit the value of the unredeemed gift cards to the relevant jurisdictions. Gift card breakage is recorded within Net revenue in the Condensed Consolidated Statements of Operations. Prior to their redemption, gift cards are recorded as a liability, included within Other current liabilities in the Condensed Consolidated Balance Sheets. The liability is estimated based on expected breakage that considers historical patterns of redemption. The following table provides the reconciliation of the contract liability related to gift cards:

	13 Weeks Ended		26 Weeks Ended	
(in thousands)	July 30, 2021	July 31, 2020	July 30, 2021	July 31, 2020
Balance as of beginning of period	$ 27,466	$ 23,202	$ 26,798	$ 22,592
Gift cards sold	13,949	11,104	24,996	19,935
Gift cards redeemed	(12,963)	(10,587)	(23,228)	(18,714)
Gift card breakage	(111)	(68)	(225)	(162)
Balance as of end of period	$ 28,341	$ 23,651	$ 28,341	$ 23,651

Refund Liabilities

Refund liabilities, primarily associated with product sales returns and retrospective volume rebates, represent variable consideration and are estimated and recorded as a reduction to Net revenue based on historical experience. As of July 30, 2021, July 31, 2020 and January 29, 2021, $17.4 million, $23.2 million and $25.7 million, respectively, of refund liabilities, primarily associated with product returns, were reported in Other current liabilities in the Condensed Consolidated Balance Sheets. An asset for product returns is recorded in Prepaid expenses and other current assets in the Condensed Consolidated Balance Sheets.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with the Condensed Consolidated Financial Statements and accompanying notes included elsewhere in this Quarterly Report on Form 10-Q. This Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements. The matters discussed in these forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those made, projected or implied in the forward-looking statements. See "Cautionary Statement Concerning Forward-Looking Statements" below, "Item 1A. Risk Factors" in our Annual Report filed on Form 10-K for the year ended January 29, 2021 and "Part II, Item 1A Risk Factors" of this Quarterly Report on Form 10-Q, for a discussion of the uncertainties, risks and assumptions associated with these statements.

As used in this Quarterly Report on Form 10-Q, references to the "Company", "Lands' End", "we", "us", "our" and similar terms refer to Lands' End, Inc., and its subsidiaries. Our fiscal year ends on the Friday preceding the Saturday closest to January 31. Other terms that are commonly used in this Quarterly Report on Form 10-Q are defined as follows:

- *ABL Facility -Asset-based senior secured credit agreements, providing for a revolving facility, dated as of November 16, 2017, with Wells Fargo Bank, N.A. and certain other lenders, as amended to date*
- *CARES Act – The Coronavirus Aid, Relief and Economic Security Act signed into law on March 27, 2020*
- *Company Operated stores - Lands' End retail stores in the Retail channel*
- *Current Term Loan Facility – Term loan credit agreement, dated as of September 9, 2020, among the Company, Fortress Credit Corp., as Administrative Agent and Collateral Agent, and the lenders party thereto*
- *Debt Facilities - Collectively, the Current Term Loan Facility and ABL Facility*
- *First Quarter 2020 - The 13 weeks ended May 1, 2020*
- *Fiscal 2022 – The 52 weeks ending January 27, 2023*
- *Fiscal 2021 – The 52 weeks ending January 28, 2022*
- *Fiscal 2020 - The 52 weeks ended January 29, 2021*
- *Fiscal 2019 – The 52 weeks ended January 31, 2020*
- *Former Term Loan Facility - Term loan credit agreements, dated as of April 4, 2014, with Bank of America, N.A. and certain other lenders, and replaced by the Current Term Loan Facility on September 9, 2020*
- *GAAP - Accounting principles generally accepted in the United States*
- *LIBOR - London inter-bank offered rate*
- *SEC - United States Securities and Exchange Commission*
- *Second Quarter 2021 – The 13 weeks ended July 30, 2021*
- *Second Quarter 2020 – The 13 weeks ended July 31, 2020*
- *Second Quarter 2019 – The 13 weeks ended August 2, 2019*
- *Third Quarter 2021 – The 13 weeks ending October 29, 2021*
- *Third Quarter 2020 – The 13 weeks ended October 30, 2020*
- *Year-to-Date 2021 - The 26 weeks ended July 30, 2021*
- *Year-to-Date 2020 - The 26 weeks ended July 31, 2020*
- *Year-to-Date 2019 – The 26 weeks ended August 2, 2019*

Executive Overview

Description of the Company

Lands' End is a leading uni-channel retailer of casual clothing, accessories, footwear and home products. Operating out of America's heartland, we believe our vision and values make a strong connection with our core customers. We offer products online at www.landsend.com, on third-party online marketplaces and through our own Company Operated stores, as well as third-party retail locations. We are a classic American lifestyle brand with a passion for quality, legendary service and real value and seek to deliver timeless style for women, men, kids and the home.

Lands' End was founded in 1963 by Gary Comer and his partners to sell sailboat hardware and equipment by catalog. While our product focus has shifted significantly over the years, we have continued to adhere to our founder's motto as one of our guiding principles: "Take care of the customer, take care of the employee and the rest will take care of itself."

We seek to provide a common customer experience regardless of whether our customers are interacting with us on our company websites, third-party marketplaces, at our Company Operated stores or other distribution channels.

We have one external reportable segment and identify our operating segments according to how our business activities are managed and evaluated. Our operating segments consist of: U.S. eCommerce, Europe eCommerce, Japan eCommerce, Outfitters, Third Party and Retail. We have determined that each of our operating segments share similar economic and other qualitative characteristics, and therefore the results of our operating segments are aggregated into one external reportable segment.

Distribution Channels

We identify five separate distribution channels for revenue reporting purposes:

- *U.S. eCommerce* offers products through our eCommerce website utilizing digital marketing and direct mail catalogs.
- *International* offers products primarily to consumers located in Europe and Japan through our eCommerce international websites and third-party affiliates.
- *Outfitters* sells uniform and logo apparel to businesses and their employees, as well as to school households through school relationships, located primarily in the U.S., through negotiated arrangements to make specific styles or customized products which are made available for purchase on the Company's eCommerce websites.
- *Third Party* sells the same products as U.S. eCommerce but direct to consumers through third-party marketplace websites and through domestic wholesale customers.
- *Retail* sells products through our Company Operated stores.

Impact of the COVID-19 Pandemic

COVID-19 surfaced in late 2019 and in March 2020, the World Health Organization declared COVID-19 a pandemic. The onset of the COVID-19 pandemic had a disruptive impact on our business operations and an unfavorable impact on our results of operations during the first half of Fiscal 2020. During the Second Quarter 2020, we began a significant recovery that continued to build on the momentum experienced before the COVID-19 pandemic. Our strong foundation and ongoing enhancements across the four strategic pillars of product, digital, uni-channel distribution and business processes supported us during this COVID-19 pandemic and continues to support the strength of our financial performance and encouraging customer metrics. The COVID-19 pandemic continues to adversely impact us and our supply chain and remains a threat to our workforce.

We continue to believe that we will emerge from these events well positioned for long-term growth, though we cannot reasonably estimate the duration and severity of this global pandemic or its ultimate impact on the global economy and our business and results.

Health and Safety of our People and Consumers

From the beginning of the COVID-19 pandemic, our priority has been the safety of our employees and customers. On March 16, 2020, we temporarily closed our Company Operated stores. These stores reopened during Second Quarter 2020. Additionally, we opened four new U.S. Company Operated stores in Second Quarter 2020. These new stores were already planned, and construction was underway prior to the start of the COVID-19 pandemic. Since the onset of the COVID-19 pandemic, we have taken extra precautions in our offices and distribution centers, which have varied from time to time based on the then current guidance from global, federal and state health authorities. These measures have included COVID-19 retail guidelines, work from home policies, social distancing, masking, thermal scanning and partitions in all facilities. With the emergence of the delta variant of COVID-19, we have been required to keep these measures in place longer than anticipated.

Supply Chain

The COVID-19 pandemic continues to cause supply chain disruptions across all industries, and we continually monitor our supply chain for manufacturing and transportation delays caused or exacerbated by the COVID-19 pandemic. In the first half of Fiscal 2021, the COVID-19 pandemic impacted our distribution centers, third-party manufacturing partners and logistics partners, including freight capacity, port congestion, other logistics constraints, and closure of certain third-party manufacturing facilities and production lines. These disruptions and constraints resulted in later timing of Spring 2021 inventory receipts and deliveries, as well as higher freight, distribution and other supply chain costs. These disruptions have led, at times, to lower inventory positions and higher than normal back orders, as manufacturing, transport, receipt and stocking of inbound product is delayed. In addition, increased demand for parcel delivery has led to carrier limitations, as well as rate surcharges, throughout the industry, generally, and for the Company, in particular.

We expect these supply chain disruptions and constraints and increases in costs to continue through the balance of Fiscal 2021 and into Fiscal 2022. As a result of these impacts, we anticipate later than expected fall and holiday season inventory receipts and deliveries to our wholesale customers and inventory availability for our distribution channels. These additional costs and shipping delays may impact our future net sales and gross margin results, depending upon the ultimate timing of delivery and availability of product to sell.

Expense Reduction

Beginning in First Quarter 2020, we took aggressive actions to reduce overall expenses as a response to decreased customer demand due to the COVID-19 pandemic. We reduced our operating expenses and structural costs by enacting employee furloughs, and temporary tiered salary reductions for the executive team and corporate staff. In addition, other discretionary operating expenses and planned capital expenditures for Fiscal 2020 were significantly reduced. As the COVID-19 pandemic continues and new variants emerge, we will continue to monitor the impact of the COVID-19 pandemic to manage overall expenses.

Basis of Presentation

The Condensed Consolidated Financial Statements have been prepared in accordance with GAAP and include the accounts of Lands' End, Inc., and its subsidiaries. All intercompany transactions and balances have been eliminated. The COVID-19 pandemic had a material impact on our results for the 26 weeks ended July 31, 2020. As such, this interim period, as well as upcoming periods, may not be comparable to past performance or indicative of future performance.

Seasonality

We experience seasonal fluctuations in our net revenue and operating results and historically have realized a significant portion of our net revenue and earnings for the year during our fourth fiscal quarter. We generated 37.7% and 37.9% of our net revenue in the fourth fiscal quarter of Fiscal 2020 and Fiscal 2019 respectively. Thus, lower than expected fourth quarter net revenue could have an adverse impact on our annual operating results.

Working capital requirements typically increase during the second and third quarters of the fiscal year as inventory builds to support peak shipping/selling periods and, accordingly, typically decrease during the fourth quarter of the fiscal year as inventory is shipped/sold. Cash provided by operating activities is typically higher in the fourth quarter of the fiscal year due to reduced working capital requirements during that period.

Results of Operations

The following table sets forth, for the periods indicated, selected income statement data:

	13 Weeks Ended			
	July 30, 2021		July 31, 2020	
(in thousands)	$'s	% of Net revenue	$'s	% of Net revenue
Net revenue	$ 384,109	100.0%	$ 312,083	100.0%
Cost of sales (excluding depreciation and amortization)	206,320	53.7%	176,661	56.6%
Gross profit	177,789	46.3%	135,422	43.4%
Selling and administrative	136,649	35.6%	111,478	35.7%
Depreciation and amortization	9,791	2.5%	9,378	3.0%
Other operating expense, net	—	—%	3,373	1.1%
Operating income	31,349	8.2%	11,193	3.6%
Interest expense	8,837	2.3%	4,916	1.6%
Other (income) expense, net	(123)	(0.0)%	1,333	0.4%
Income before income taxes	22,635	5.9%	4,944	1.6%
Income tax expense	6,414	1.7%	568	0.2%
NET INCOME	$ 16,221	4.2%	$ 4,376	1.4%

	26 Weeks Ended			
	July 30, 2021		July 31, 2020	
(in thousands)	$'s	% of Net revenue	$'s	% of Net revenue
Net revenue	$ 705,406	100.0%	$ 529,091	100.0%
Cost of sales (excluding depreciation and amortization)	379,880	53.9%	299,514	56.6%
Gross profit	325,526	46.1%	229,577	43.4%
Selling and administrative	262,171	37.2%	217,276	41.1%
Depreciation and amortization	19,695	2.8%	18,164	3.4%
Other operating expense, net	443	(0.0)%	7,656	1.4%
Operating income (loss)	43,217	6.1%	(13,519)	(2.6)%
Interest expense	17,897	2.5%	10,227	1.9%
Other (income) expense, net	(290)	(0.0)%	1,160	0.2%
Income (loss) before income taxes	25,610	3.6%	(24,906)	(4.7)%
Income tax expense (benefit)	6,750	0.9%	(8,639)	(1.6)%
NET INCOME (LOSS)	$ 18,860	2.7%	$ (16,267)	(3.1)%

Depreciation and amortization are not included in our cost of sales because we are a reseller of inventory and do not believe that including depreciation and amortization is meaningful. As a result, our gross margins may not be comparable to other entities that include depreciation and amortization related to the sale of their product in their gross margin measure.

Net Income (Loss) and Adjusted EBITDA

We recorded Net income of $16.2 million in Second Quarter 2021 compared to Net income of $4.4 million in the Second Quarter 2020. In addition to our Net income (loss) determined in accordance with GAAP, for purposes of evaluating operating performance, we use an Adjusted EBITDA metric. Adjusted EBITDA is computed as Net income (loss) appearing on the Condensed Consolidated Statements of Operations net of Income tax expense/(benefit), Interest expense, Depreciation and amortization and certain significant items as set forth below. Our management uses Adjusted EBITDA to evaluate the operating performance of our business for comparable periods, and as a basis for an executive compensation metric. The methods used by us to calculate our non-GAAP financial measures may differ significantly from methods used by other companies to compute similar measures. As a result, any non-GAAP financial measures presented herein may not be comparable to similar measures provided by other companies. Adjusted EBITDA should not be used by investors or other third parties as the sole basis for formulating investment decisions as it excludes a number of important cash and non-cash recurring items.

While Adjusted EBITDA is a non-GAAP measurement, management believes that it is an important indicator of operating performance, and is useful to investors, because:

- EBITDA excludes the effects of financings, investing activities and tax structure by eliminating the effects of interest, depreciation and income tax.

- Other significant items, while periodically affecting our results, may vary significantly from period to period and have a disproportionate effect in a given period, which affects comparability of results. We have adjusted our results for these items to make our statements more comparable and therefore more useful to investors as the items are not representative of our ongoing operations.

  - Corporate restructuring – corporate restructuring actions and activities including severance for the reduction in corporate positions for the 13 weeks and 26 weeks ended July 31, 2020.

  - Goodwill and long-lived asset impairment – charges associated with the non-cash write down of goodwill and certain long-lived assets for the 13 weeks and 26 weeks ended July 31, 2020.

  - Other – amortization of transaction related costs associated with Third Party channel for the 13 weeks and 26 weeks ended July 30, 2021.

  - Loss on property and equipment - management considers the gains or losses on asset valuation to result from investing decisions rather than ongoing operations for the 13 weeks ended July 31, 2020 and for the 26 weeks ended July 30, 2021 and July 31, 2020.

	13 Weeks Ended			
	July 30, 2021		July 31, 2020	
(in thousands)	$'s	% of Net revenue	$'s	% of Net revenue
Net income	$ 16,221	4.2%	$ 4,376	1.4%
Income tax expense	6,414	1.7%	568	0.2%
Other (income) expense, net	(123)	(0.0)%	1,333	0.4%
Interest expense	8,837	2.3%	4,916	1.6%
Operating income	31,349	8.2%	11,193	3.6%
Depreciation and amortization	9,791	2.5%	9,378	3.0%
Corporate restructuring	—	—%	2,925	0.9%
Goodwill and long-lived asset impairment	—	—%	400	0.1%
Other	250	0.1%	—	—%
Loss on property and equipment	—	—%	48	0.0%
Adjusted EBITDA	$ 41,390	10.8%	$ 23,944	7.7%

	26 Weeks Ended			
	July 30, 2021		July 31, 2020	
(in thousands)	$'s	% of Net revenue	$'s	% of Net revenue
Net income (loss)	$ 18,860	2.7%	$ (16,267)	(3.1)%
Income tax expense (benefit)	6,750	0.9%	(8,639)	(1.6)%
Other (income) expense, net	(290)	(0.0)%	1,160	0.2%
Interest expense	17,897	2.5%	10,227	1.9%
Operating income (loss)	43,217	6.1%	(13,519)	(2.6)%
Depreciation and amortization	19,695	2.8%	18,164	3.4%
Corporate restructuring	—	—%	2,925	0.6%
Goodwill and long-lived asset impairment	—	—%	3,844	0.7%
Other	500	0.1%	—	—%
Loss on property and equipment	443	0.1%	887	0.2%
Adjusted EBITDA	$ 63,855	9.1%	$ 12,301	2.3%

In assessing the operational performance of our business, we consider a variety of financial measures. We operate in five revenue channels: U.S. eCommerce, International, Outfitters, Third Party and Retail. A key measure in the evaluation of our business is revenue performance by channel. We also consider gross margin and Selling and administrative expenses in evaluating the performance of our business.

To evaluate revenue performance for the U.S. eCommerce, International, Outfitters and Third Party channels, we use Net revenue. For our Retail channel, we have historically used Company Operated stores Same Store Sales as a key measure in evaluating performance. However, due to the impact of the COVID-19 pandemic on the Retail channel, we are not currently using Same Store Sales as a key measure in evaluating performance. The Retail channel is currently evaluated on sales productivity which is a metric measuring sales traffic and customer conversion.

Discussion and Analysis

Second Quarter 2021 compared with Second Quarter 2020

Due to the impact of the COVID-19 pandemic on our financial operating results during the Second Quarter 2020, we also have included select comparisons to Second Quarter 2019 as management believes such comparisons are relevant to rate of recovery during the COVID-19 pandemic and performance of our business.

Net Revenue

Net revenue for Second Quarter 2021 was $384.1 million, an increase of $72.0 million or 23.1% compared with $312.1 million in the Second Quarter 2020, and an increase of $85.8 million or 28.8% compared with $298.3 million in the Second Quarter 2019.

U.S. eCommerce Net revenue was $237.6 million for Second Quarter 2021, an increase of $16.7 million or 7.6%, from $220.9 million during the Second Quarter 2020, and an increase of $62.5 million or 35.7% from $175.1 million during the Second Quarter 2019. The increase in revenue in Second Quarter 2021 was primarily driven by stronger website traffic and a higher average order value as customers continued to react positively to the product assortments and digital capabilities, which drove a year over year increase in our new customers acquired and our overall customer file.

International eCommerce Net revenue was $47.8 million for Second Quarter 2021, an increase of $3.6 million or 8.2%, from $44.2 million during the Second Quarter 2020, and an increase of $7.4 million or 18.3% from $40.4 million during the Second Quarter 2019. These increases in revenue were primarily driven by implementing U.S. eCommerce initiatives in Europe eCommerce which resulted in stronger demand as customers reacted positively to the product assortments and digital capabilities, which drove a year over year increase in our new customers acquired and overall customer file.

Outfitters Net revenue was $65.6 million for Second Quarter 2021, an increase of $28.2 million or 75.4%, from $37.4 million during the Second Quarter 2020, and an increase of $0.1 million or 0.2% from $65.5 million during the Second Quarter 2019. Compared to the Second Quarter 2020, the increase was primarily attributed to stronger demand within our travel-related national accounts and school uniforms as households roughly recovered to prior back-to-school shopping patterns, with a slower recovery in our small and medium-sized customers.

Third Party Net revenue was $19.1 million for Second Quarter 2021, an increase of $14.0 million from $5.1 million during the Second Quarter 2020. The increase was primarily attributed to the launch of Lands' End product on Kohls.com and at 150 Kohl's retail locations in the Third Quarter 2020 as well as the impact of expanding our swimwear assortment into an additional 150 Kohl's retail locations during Second Quarter 2021.

Retail Net revenue was $14.0 in Second Quarter 2021, an increase of $9.5 million or 211.1% from $4.5 million during Second Quarter 2020, and a decrease of $0.2 million or 1.4% from $14.2 million during Second Quarter 2019. Compared to Second Quarter 2020, the increase was attributed to the stores being closed for a portion of Second Quarter 2020 and an increase in overall conversion partially offset by a decrease in traffic. Compared to Second Quarter 2019, the reduction in revenue was driven by a decrease in traffic partially offset by improved conversion and an increase in the number of U.S. Company Operated stores. On July 30, 2021 there were 31 U.S. Company Operated stores compared to 30 U.S. Company Operated stores on July 31, 2020 and 21 U.S. Company Operated stores on August 2, 2019.

Gross Profit

Gross profit was $177.8 million for Second Quarter 2021, an increase of $42.4 million or 31.3% from $135.4 million during the Second Quarter of 2020. Gross margin increased to 46.3% in Second Quarter 2021, compared with 43.4% in Second Quarter 2020.

Compared to Second Quarter 2020, gross margin increased due to merchandise margin expansion in the U.S. eCommerce channel driven by enhanced promotional strategies and continued use of analytics for both our pricing and inventory management, partially offset by increased shipping costs and surcharges as well as higher sales mix from the lower-margin Third Party channel.

Selling and Administrative Expenses

Selling and administrative expenses increased $25.1 million to $136.6 million or 35.6% of total Net revenue in Second Quarter 2021 compared with $111.5 million or 35.7% of Net revenue in Second Quarter 2020. The increase in expenses is due to the continued investment in digital marketing and lower operating expenses in Second Quarter 2020 due to actions taken at the onset of the COVID-19 pandemic to reduce operating expenses and structural costs. The approximately 10 basis point decrease was driven by improved leverage from higher sales and continued expense controls mostly offset by continued investment in digital marketing expenses and lower operating expenses in Second Quarter 2020 due to actions taken at the onset of the COVID-19 pandemic. This was an approximately 540 basis point decrease compared to Second Quarter 2019 despite the higher digital marketing expenses.

Depreciation and Amortization

Depreciation and amortization expense was $9.8 million in Second Quarter 2021, an increase of $0.4 million or 4.4%, compared with $9.4 million in Second Quarter 2020. The increase was primarily attributable to depreciation associated with our continued investment in our digital information technology infrastructure.

Other Operating Expense

Other operating expense, net was zero in Second Quarter 2021 compared to $3.4 million in Second Quarter 2020. The decrease of $3.4 million was primarily attributed to $2.9 million of corporate restructuring costs which includes severance for the reduction of corporate positions in Second Quarter 2020.

Operating Income

Operating income was $31.3 million in Second Quarter 2021 compared to $11.2 million in Second Quarter 2020. The increase was driven by the increase in Gross profit from the increased revenue and improved margins over Second Quarter 2020 partially offset by higher selling and administrative expenses.

Interest Expense

Interest expense was $8.8 million in Second Quarter 2021 compared to $4.9 million in Second Quarter 2020. The $3.9 million increase was primarily attributed to higher interest rates associated with the Current Term Loan Facility.

Other Income

Other income was $0.1 million in Second Quarter 2021 compared to Other expense of $1.3 million in Second Quarter 2020. The decrease is primarily attributed to a final payment in the Second Quarter 2020 associated with the transitioning of a sourcing office.

Income Tax Expense

We recorded income tax expense at an overall effective tax rate of 28.3% and 11.5% for Second Quarter 2021 and Second Quarter 2020, respectively. The Second Quarter 2021 rate is higher than Second Quarter 2020 primarily as a result of changes in estimates due to uncertainties related to our performance as a result of the COVID-19 pandemic in 2020.

Net Income

As a result of the above factors, Net income was $16.2 million and diluted earnings per share was $0.48 in Second Quarter 2021 compared with a Net income of $4.4 million and diluted earnings per share of $0.13 in Second Quarter 2020.

Adjusted EBITDA

As a result of the above factors, Adjusted EBITDA was $41.4 million in Second Quarter 2021 compared to $23.9 million in Second Quarter 2020.

Year-to-Date 2021 compared with Year-to-Date 2020

Due to the impact of the COVID-19 pandemic on our financial operating results Year-to-Date 2020, we also have included select comparisons to Year-to-Date 2019 as management believes such comparisons are relevant to rate of recovery during the COVID-19 pandemic and performance of our business.

Net Revenue

Net revenue for Year-to-Date 2021 was $705.4 million, an increase of $176.3 million or 33.3% compared with $529.1 million in the Year-to-Date 2020, and an increase of $144.7 million or 25.8% compared with $560.7 million in the Year-to-Date 2019.

U.S. eCommerce Net revenue was $441.2 million for Year-to-Date 2021, an increase of $81.5 million or 22.7%, from $359.7 million during the Year-to-Date 2020, and an increase of $99.8 million or 29.2% from $341.4 million during the Year-to-Date 2019. These increases in revenue were primarily driven by stronger website traffic and a higher average order value as customers continue to react positively to the product assortments and digital capabilities, which drove a year over year increase in our new customers acquired and our overall customer file.

International eCommerce Net revenue was $104.2 million for Year-to-Date 2021, an increase of $18.8 million or 22.0%, from $85.4 million during the Year-to-Date 2020, and an increase of $22.9 million or 28.2% from $81.3 million during the Year-to-Date 2019. These increases in revenue were primarily driven by implementing U.S. eCommerce initiatives in Europe eCommerce which resulted in stronger demand as customers reacted positively to the product assortments and digital capabilities, which drove a year over year increase in our new customers acquired and overall customer file.

Outfitters Net revenue was $106.3 million for Year-to-Date 2021, an increase of $37.1 million or 53.6%, from $69.2 million during the Year-to-Date 2020, and a decrease of $2.2 million or 2.0% from $108.5 million during the Year-to-Date 2019. Compared to the Year-to-Date 2020, the increase was primarily attributed to stronger demand within our travel-related national accounts and school uniforms as households roughly recovered to prior back-to-school shopping patterns, with a slower recovery in our small and medium-sized customers.

Third Party Net revenue was $30.9 million for Year-to-Date 2021, an increase of $24.3 million from $6.6 million during the comparable period of the prior year. The increase was primarily attributed to the launch of Lands' End product on Kohls.com and at 150 Kohl's retail locations in the Third Quarter 2020 as well as the impact of expanding our swimwear assortment into an additional 150 Kohl's retail locations during the Second Quarter 2021.

Retail Net revenue was $22.8 million in Year-to-Date 2021, an increase of $14.7 million or 181.5% from $8.1 million during Year-to-Date 2020, and a decrease of $1.8 million or 7.6% from $24.6 million during Year-to-Date 2019. Compared to Year-to-Date 2020, the increase was attributed to the stores being closed for a portion of Year-to-Date 2020 and an increase in overall conversion partially offset by a decrease in traffic. Compared to Year-to-Date 2019, the reduction in revenue was the result of traffic not having returned to pre-COVID-19 pandemic levels partially offset by improved conversion and an increase in the number of the U.S. Company Operated stores.

Gross Profit

Gross profit was $325.5 million for Year-to-Date 2021, an increase of $95.9 million or 41.8% from $229.6 million during the Year-to-Date of 2020. Gross margin increased to 46.2% in Year-to-Date 2021, compared with 43.4% in Year-to-Date 2020. Compared to Year-to-Date 2020, gross margin increased due to merchandise margin expansion in the U.S. eCommerce channel driven by enhanced promotional strategies and continued use of analytics for both our pricing and inventory management, offset by increased shipping costs and surcharges as well as higher sales mix from the lower-margin Third Party channel.

Selling and Administrative Expenses

Selling and administrative expenses increased $44.9 million to $262.2 million or 37.2% of total Net revenue in Year-to-Date 2021 compared with $217.3 million or 41.1% of Net revenue in Year-to-Date 2020. The increase in expenses was attributable to the continued investment in digital marketing and lower expenses Year-to-Date 2020 due to expense reductions taken at the onset of the COVID-19 pandemic. The approximately 390 basis point decrease was driven by improved leverage from higher sales and continued expense controls slightly offset by increased digital marketing expenses and expense reductions taken at the onset of the COVID-19 pandemic. This was also an approximately 540 basis point decrease compared to Year-to-Date 2019 despite the higher digital marketing expenses.

Depreciation and Amortization

Depreciation and amortization expense was $19.7 million in Year-to-Date 2021, an increase of $1.5 million or 8.4%, compared with $18.2 million in Year-to-Date 2020. The increase was primarily attributable to depreciation associated with our continued investment in our digital information technology infrastructure.

Other Operating Expense

Other operating expense, net was $0.4 million in Year-to-Date 2021 and $7.7 million in Year-to-Date 2020. The decrease of $7.3 million was attributed to the $3.3 million impairment charge of goodwill allocated to our Japan eCommerce reporting unit and $2.9 million of corporate restructuring costs which includes severance for the reduction of corporate positions and $0.5 million impairment charge of certain long-lived assets recognized Year-to-Date 2020.

Operating Income (Loss)

Operating income was $43.2 million in Year-to-Date 2021 compared to Operating loss of $13.5 million in Year-to-Date 2020. The increase was driven by the increase in Gross profit from the increased revenue and improved margins over Year-to-Date 2020 partially offset by higher selling and administrative expenses.

Interest Expense

Interest expense was $17.9 million in Year-to-Date 2021 compared to $10.2 million in Year-to-Date 2020. The $7.7 million increase was primarily attributed to higher interest rates associated with the Current Term Loan Facility.

Other Income

Other income was $0.3 million in Year-to-Date 2021 compared to Other expense of $1.2 million in Year-to-Date 2020. The decrease is primarily attributed to a final payment in the Second Quarter 2020 associated with the transitioning of a sourcing office.

Income Tax Expense (Benefit)

We recorded income tax expense at an overall effective tax rate of 26.4% for Year-to-Date 2021 and an income tax benefit of 34.7% for Year-to-Date 2020. The Year-to-Date 2021 rate is lower than Year-to-Date 2020 primarily due to the generation of pretax income in 2021 compared to a pretax loss in 2020 in addition to the estimated tax benefits recorded as a result of the CARES Act in 2020.

Net Income (Loss)

As a result of the above factors, Net income was $18.9 million and diluted earnings per share was $0.56 in Year-to-Date 2021 compared with a Net loss of $16.3 million and diluted loss per share of $0.50 in Year-to-Date 2020.

Adjusted EBITDA

As a result of the above factors, Adjusted EBITDA was $63.9 million in Year-to-Date 2021 compared to $12.3 million in Year-to-Date 2020.

Liquidity and Capital Resources

Our primary need for liquidity is to fund working capital requirements of our business, capital expenditures, debt service and for general corporate purposes. Our cash and cash equivalents and the ABL Facility serve as sources of liquidity for short-term working capital needs and general corporate purposes. The ABL Facility had a balance outstanding of $25.0 million on July 30, 2021 other than letters of credit. Cash generated from our net revenue and profitability, and to a lesser extent our changes in working capital, are driven by the seasonality of our business, with a significant amount of net revenue and operating cash flows generally occurring in the fourth fiscal quarter of each year. We expect that our cash on hand and cash flows from operations, along with revolving on the ABL Facility, will be adequate to meet our capital requirements and operational needs for at least the next 12 months.

Description of Material Indebtedness

Debt Arrangements

Our $275.0 million revolving ABL Facility includes a $70.0 million sublimit for letters of credit and is available for working capital and other general corporate liquidity needs. The balance outstanding was $25.0 million and zero on July 30, 2021 and July 31, 2020, respectively. The balance of outstanding letters of credit was $16.7 million and $12.0 million on July 30, 2021 and July 31, 2020, respectively.

During Fiscal 2020, we exercised the "accordion" feature under the ABL Facility increasing the maximum borrowings available under the facility from $175.0 million to $275.0 million, subject to a borrowing base (the "Loan Cap"). This was completed in two separate transactions. The first was a $25.0 million increase effective March 19, 2020 and the second was a $75.0 million increase effective September 9, 2020. The latter was completed through the Second Amendment to the ABL Facility executed on August 12, 2020.

On July 29, 2021, we executed the Third Amendment to the ABL Facility resulting in favorable financial terms compared to the Second Amendment to the ABL Facility and extension of the maturity date of the ABL Facility, as discussed below.

On September 9, 2020, we entered into the Current Term Loan Facility which provides a term loan facility of $275.0 million, the proceeds of which were used, along with borrowings of $125.0 million under our ABL Facility, to repay all the indebtedness under the Former Term Loan Facility and pay fees and expenses in connection with the financing. Origination costs, including an Original Issue Discount (OID) of 3% and $5.1 million in debt origination fees were paid upon entering into the Current Term Loan Facility.

Interest; Fees

Between September 9, 2020 and July 30, 2021, the ABL Facility provided that for LIBOR loans, the interest rate was LIBOR (subject to an interest rate floor of 0.75%) plus a borrowing margin which was, where the average daily total loans outstanding for the previous quarter were (i) less than $50.0 million, 1.75%, (ii) equal to or greater than $50.0 million but less than $100.0 million, 2.00%, (iii) equal to or greater than $100.0 million but less than $200.0 million, 2.25%, and (iv) greater than $200.0 million, 3.50%. For Base Rate loans, the borrowing margin was, where the average daily total loans outstanding for the previous quarter were (i) less than $50.0 million for the previous quarter, 1.00%, (ii) equal to or greater than $50.0 million but less than $100.0 million, 1.25%, (iii) equal to or greater than $100.0 million but less than $200.0 million, 1.50%, and (iv) greater than $200.0 million, 2.75%.

Pursuant to the Third Amendment of the ABL Facility for LIBOR loans, commencing July 31, 2021 the borrowing margin will be, where the average daily total loans outstanding for the previous quarter are (i) less than $ 95.0 million, 1.25%, (ii) equal to or greater than $95.0 million but less than $180.0 million, 1.50%, and (iii) greater than or equal to $180.0 million, 1.75%. For Base Rate loans, the borrowing margin will be, where the average daily total loans outstanding for the previous quarter are (i) less than $95.0 million for the previous quarter, 0.50%, (ii) equal to or greater than $95.0 million but less than $180.0 million, 0.75%, and (iii) greater than or equal to $180.0 million, 1.00%. The Third Amendment to the ABL Facility replaced the 0.75% LIBOR floor with a 0.0% LIBOR floor.

The interest rates per annum applicable to the loans under the Current Term Loan Facility are based on a fluctuating rate of interest measured by reference to, at the borrower's election, either (1) an adjusted LIBOR (with a minimum rate of 1.00%) plus 9.75% or (2) an alternative base rate (which is the greater of (i) the prime rate published in the Wall Street Journal, (ii) the federal funds rate, which shall be no lower than 0.00% plus ½ of 1.00%, and (iii) the one month LIBOR rate plus 1.00% per annum) plus 8.75%.

Pursuant to the Second Amendment to the ABL Facility, the ABL Facility fees also included (i) commitment fees which range from 0.25% to 0.375% based upon the average daily unused commitment (aggregate commitment less loans and letter of credit outstanding) under the ABL Facility for the preceding fiscal quarter and (ii) customary letter of credit fees.

Effective with the Third Amendment to the ABL Facility, the ABL Facility fees include (i) commitment fees of 0.25% based upon the average daily unused commitment (aggregate commitment less loans and letter of credit outstanding) under the ABL Facility for the preceding fiscal quarter and (ii) customary letter of credit fees. As of the end of Second Quarter 2021, we had borrowings of $25.0 million on the ABL Facility.

Customary agency fees are payable in respect of the Debt Facilities.

Maturity; Amortization and Prepayments

The Third Amendment to the ABL Facility extended the maturity from November 16, 2022 to the earlier of (a) July 29, 2026 and (b) June 9, 2025 if, on or prior to such date, the Current Term Loan Facility has not been refinanced, extended or repaid in full in accordance with the terms thereof and not replaced with other indebtedness.

The Current Term Loan Facility matures on September 9, 2025 and amortizes at a rate equal to 1.25% per quarter. It is subject to mandatory prepayments in an amount equal to a percentage of the borrower’s excess cash flows in each fiscal year, ranging from 0% to 75% depending on our total leverage ratio, and with the proceeds of certain asset sales, casualty events and extraordinary receipts. The loan may not be voluntarily prepaid during the first two years of its term, without significant penalties. A prepayment premium is applicable to voluntary prepayments and certain mandatory prepayments made prior to the fourth anniversary of the closing date of the Current Term Loan Facility.

Guarantees; Security

All obligations under the Debt Facilities are unconditionally guaranteed by Lands’ End, Inc. and, subject to certain exceptions, each of its existing and future direct and indirect subsidiaries. The ABL Facility is secured by a first priority security interest in certain working capital of the borrowers and guarantors consisting primarily of accounts receivable and inventory. The Current Term Loan Facility is secured by a second priority security interest in the same collateral, with certain exceptions.

The Current Term Loan Facility is secured by a first priority security interest in certain property and assets of the borrowers and guarantors, including certain fixed assets such as real estate, stock of the subsidiaries and intellectual property, in each case, subject to certain exceptions. The ABL Facility is secured by a second priority interest in the same collateral, with certain exceptions.

The Former Term Loan Facility, which was replaced by the Current Term Loan Facility on September 9, 2020, had the same priority security interest in the same collateral, with certain exceptions.

Representations and Warranties; Covenants

Subject to specified exceptions, the Debt Facilities contain various representations and warranties and restrictive covenants that, among other things, restrict Lands’ End, Inc.’s and its subsidiaries’ ability to incur indebtedness (including guarantees), grant liens, make investments, make dividends or distributions with respect to capital stock, make prepayments on other indebtedness, engage in mergers or change the nature of their business.

The Current Term Loan Facility contains certain financial covenants, including a quarterly maximum total leverage ratio test, a weekly minimum liquidity test and an annual maximum capital expenditure amount.

Under the ABL Facility, if excess availability falls below the greater of 10% of the Loan Cap amount or $15.0 million, we will be required to comply with a minimum fixed charge coverage ratio of 1.0 to 1.0.

Effective with the Second Amendment to the ABL Facility, the ABL Facility had a cash maintenance provision which applied a limit of $75.0 million on the amount of cash and cash equivalents (subject to certain exceptions) that we could hold when outstanding loans under the ABL Facility equaled or exceeded $125.0 million. The Third Amendment to the ABL Facility eliminated this cash maintenance provision.

The Debt Facilities contain certain affirmative covenants, including reporting requirements such as delivery of financial statements, certificates and notices of certain events, maintaining insurance and providing additional guarantees and collateral in certain circumstances.

As of July 30, 2021, we were in compliance with all of our covenants in the Debt Facilities.

Events of Default

The Debt Facilities include customary events of default including non-payment of principal, interest or fees, violation of covenants, inaccuracy of representations or warranties, cross defaults related to certain other material indebtedness, bankruptcy and insolvency events, invalidity or impairment of guarantees or security interests and material judgments and change of control.

Cash Flows from Operating Activities

Net cash provided by operating activities increased to $30.5 million Year-to-Date 2021 from $8.0 million Year-to-Date 2020. The $22.5 million increase in cash provided by operating activities was driven by an increase in year over year net income partially offset by a year over year increase in net working capital changes and other non-cash items.

Cash Flows from Investing Activities

Net cash used in investing activities was $12.0 million and $19.8 million Year-to-Date 2021 and Year-to-Date 2020, respectively. Cash used in investing activities for both periods was primarily used for investments to update our digital information technology infrastructure.

For Fiscal 2021, we plan to invest approximately $26 million in capital expenditures for strategic investments and infrastructure, primarily in technology and general corporate needs.

C***ash Flows from Financing Activities***

Net cash used in financing activities was $12.9 million and $3.0 million Year-to-Date 2021 and Year-to-Date 2020, respectively. Year-to-Date 2021 primarily includes principal payments on Current Term Loan Facility and payment of tax withholdings associated with the vesting of restricted stock.

Contractual Obligations and Off-Balance-Sheet Arrangements

There have been no material changes to our contractual obligations and off-balance-sheet arrangements as discussed in our Annual Report on Form 10-K for the fiscal year ended January 29, 2021, except for the Third Amendment to the ABL Facility for which the maturity date was extended from November 16, 2022 to the earlier of (a) July 29, 2026 and (b) June 9, 2025 if, on or prior to such date, the Current Term Loan Facility has not been refinanced, extended or repaid in full in accordance with the terms thereof and not replaced with other indebtedness.

Financial Instruments with Off-Balance-Sheet Risk

The $275.0 million ABL Facility includes a $70.0 million sublimit for letters of credit and the Third Amendment to the ABL Facility extended the maturity from November 16, 2022 to the earlier of (a) July 29, 2026 and (b) June 9, 2025 if, on or prior to such date, the Current Term Loan Facility has not been refinanced, extended or repaid in full in accordance with the terms thereof and not replaced with other indebtedness. The ABL Facility is available for working capital and other general corporate liquidity needs. The balance outstanding on July 30, 2021 and July 31, 2020 was $25.0 million and zero, respectively. The balance of outstanding letters of credit was $16.7 million and $12.0 million on July 30, 2021 and July 31, 2020, respectively.

Application of Critical Accounting Policies and Estimates

We believe that the assumptions and estimates associated with revenue, inventory valuation, goodwill and intangible asset impairment assessments and income taxes have the greatest potential impact on our financial statements. Therefore, we consider these to be our critical accounting policies and estimates.

For a complete discussion of our critical accounting policies, please refer to our Annual Report on Form 10-K for the year ended January 29, 2021. There have been no significant changes in our critical accounting policies or their application since January 29, 2021.

Recent Accounting Pronouncements

See Part I, Item 1, Note 2, *Recent Accounting Pronouncements*, of the Condensed Consolidated Financial Statements (unaudited) included in this Quarterly Report on Form 10-Q for information regarding recent accounting pronouncements.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements. Forward-looking statements reflect our current views with respect to, among other things, future events and performance. These statements may discuss, among other things, our net sales, gross margin, operating expenses, operating income, net income, adjusted EBITDA, cash flow, financial condition, financings, impairments, expenditures, growth, strategies, plans, achievements, dividends, capital structure, organizational structure, future store openings, market opportunities and general market and industry conditions. We generally identify forward-looking statements by words such as "anticipate," "estimate," "expect," "intend," "project," "plan," "predict," "believe," "seek," "continue," "outlook," "may," "might," "will," "should," "can have," "likely," “targeting” or the negative version of these words or comparable words. Forward-looking statements are based on beliefs and assumptions made by management using currently available information. These statements are only predictions and are not guarantees of future performance, actions or events. Forward-looking statements are subject to risks and uncertainties. If one or more of these risks or uncertainties materialize, or if management’s underlying beliefs and assumptions prove to be incorrect, actual results may differ materially from those contemplated by a forward-looking statement. These risks and uncertainties include those risks, uncertainties and factors discussed in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended January 29, 2021 and "Part II, Item 1A Risk Factors" of this Quarterly Report on Form 10-Q. Forward-looking statements speak only as of the date on which they are made. We expressly disclaim any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable securities laws and regulations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The market risk inherent in our financial instruments represents the potential loss arising from adverse changes in currency rates. A significant portion of our business is transacted in U.S. dollars, and is expected to continue to be transacted in U.S. dollars or U.S. dollar-based currencies. As of July 30, 2021, we had $13.5 million of cash denominated in foreign currencies, principally in Pound sterling, Euro and Japanese yen. We do not enter into financial instruments for trading purposes or hedging and have not used any derivative financial instruments. We do not consider our foreign earnings to be permanently reinvested.

We are subject to interest rate risk with the Current Term Loan Facility and the ABL Facility, as both require the Company to pay interest on outstanding borrowings at variable rates. Each one percentage point change in interest rates (above the 1.00% LIBOR floor) associated with the Current Term Loan Facility would result in a $2.6 million change in our annual cash interest expenses. Assuming our ABL Facility was fully drawn to a principal amount equal to $275.0 million, each one percentage point change in interest rates would result in a $2.8 million change in our annual cash interest expense.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Based on their evaluation for the period covered by this Quarterly Report on Form 10-Q, Lands' End's Chief Executive Officer and President and Chief Financial Officer have concluded that, as of July 30, 2021, the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) are effective.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal controls over financial reporting identified in connection with the evaluation required by Rules 13a-15 under the Exchange Act during the Second Fiscal Quarter Ended July 30, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is party to various claims, legal proceedings and investigations arising in the ordinary course of business. Some of these actions involve complex factual and legal issues and are subject to uncertainties. At this time, the Company is not able to either predict the outcome of these legal proceedings or reasonably estimate a potential range of loss with respect to the proceedings. While it is not feasible to predict the outcome of pending claims, proceedings and investigations with certainty, management is of the opinion that their ultimate resolution should not have a material adverse effect on our results of operations, cash flows or financial position taken as a whole.

For a description of our legal proceedings, see Note 9, *Commitments and Contingencies* in Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q, which description of legal proceedings is incorporated by reference herein.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in the Company's Annual Report on Form 10-K for the year ended January 29, 2021, filed with the SEC on March 25, 2021.

Index of Exhibits

ITEM 6. EXHIBITS

The following documents are filed as exhibits to this report:

3.1	Amended and Restated Certificate of Incorporation of Lands' End, Inc. (incorporated by reference to Exhibit 3.1 of the Current Report on Form 8-K filed by Lands’ End, Inc. on March 20, 2014 (File No. 001-09769)).
3.2	Amended and Restated Bylaws of Lands' End, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by Lands’ End, Inc. on April 8, 2014 (File No. 001-09769)).
4.1	Third Amendment to ABL Credit Agreement, dated July 29, 2021, by and among Lands’ End, Inc. (as the Lead Borrower), the guarantors party thereto, the lenders party thereto and Wells Fargo Bank, National Association (as administrative agent and collateral agent) (incorporated by reference to Exhibit 4.1 of the Current Report on Form 8-K filed by Lands’ End, Inc. on August 4, 2021 (File No. 001-09769)).
10.1	Amended and Restated Executive Severance Agreement by and between Lands’ End, Inc. and James Gooch, dated July 2, 2021 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-Kfiled by Lands’ End, Inc. on July 2, 2021 (File No. 001-09769)).
10.2	Executive Severance Agreement by and between Lands’ End, Inc. and Jerome S. Griffith, dated December 19, 2016.*
10.3	Executive Severance Agreement by and between Lands' End, Inc. and Peter L. Gray, dated April 21, 2017.*
31.1	Certification of Principal Executive Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.*
31.2	Certification of Principal Financial Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.*
32.1	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document*
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101)*

* Filed herewith.
** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Lands' End, Inc.

(Registrant)

Dated: September 2, 2021

By:	/s/ James Gooch
	James Gooch
	President and Chief Financial Officer (Principal Financial Officer)

EXECUTION VERSION

EXECUTIVE SEVERANCE AGREEMENT

This Executive Severance Agreement ("*Agreement*") is made effective as of the 19th day of December, 2016 (the "*Effective Date*"), between Lands' End, Inc., a Delaware corporation (together with its successors, assigns and Affiliates, the "*Company*"), and Jerome S. Griffith ("*Executive*").

WHEREAS, in light of the Company's size and its visibility as a publicly traded company that reports its results to the public, the Company has attracted the attention of other companies and businesses seeking to obtain for themselves or their customers some of the Company's business acumen and know-how; ; and

WHEREAS, the Company and Executive have entered into an employment letter agreement dated December 19th, 2016 (the "*Employment Letter*"), pursuant to which the Company has agreed to employ Executive commencing on March 6, 2017 (the "*Start Date*") on the terms and conditions contained in the Employment Letter, which includes Executive entering into this Agreement, and Executive has agreed to accept such employment on such terms and conditions, including those obligations contained in this Agreement; and

WHEREAS, the Company shall, in connection with Executive commencing employment with the Company, share with Executive certain aspects of its business acumen and know-how as well as specific confidential and proprietary information about the products, markets, processes, costs, developments, ideas, and personnel of the Company; and

WHEREAS, the Company shall, in connection with Executive commencing employment with the Company, imbue Executive with certain aspects of the goodwill that the Company has developed with its customers, vendors, representatives and employees; and

WHEREAS, in consideration for Executive commencing employment with the Company and entering into this Agreement, the Company is extending to Executive the opportunity to receive severance benefits under certain circumstances as provided in this Agreement.

NOW, THEREFORE, in consideration of the foregoing, and of the respective covenants and agreements of the parties set forth in this Agreement, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms have the meanings indicated (but if not otherwise defined herein, capitalized terms as used in this Agreement will have the meanings indicated in the Employment Letter):

a. "*Accrued Accounts*" means (i) unpaid base salary, accrued but unused vacation and expense reimbursements due, which shall be paid promptly after Executive's Separation from Service, amounts due under any benefit or equity plan, grant or program, paid in accordance with the terms of such plan, grant or program, and any unpaid bonus for any prior completed fiscal year paid when the bonus would otherwise be paid for such prior fiscal year (which, for the avoidance of doubt, shall not be paid in duplication of the same or any similar obligations under any other arrangement) and (iv) to the extent that a Qualifying Termination occurs within the last six calendar months of a given fiscal year, a pro rata bonus that would otherwise be payable under the Company's Annual Incentive Plan for such fiscal year based on actual results from the fiscal year, multiplied by the ratio of the number of days employed during such fiscal year to the number of days in the year, and paid when bonuses are otherwise paid under the Annual Incentive Plan for such fiscal year (but in no event later than April 15 following the end of such fiscal year).

b. "*Affiliate*" means any subsidiary or other entity that, directly or indirectly through one or more intermediaries, is controlled by Lands' End, Inc., whether now existing or hereafter formed or acquired. For purposes hereof, "control" means the power to vote or direct the voting of sufficient securities or other interests to elect one-third of the directors or managers or to control the management of such subsidiary or other entity.

c. "*Annual Bonus*" shall mean (i) the average bonus (annualized for any partial fiscal year) paid (if any) to Executive under the Company's Annual Incentive Plan in the last two consecutive completed fiscal years ending prior to the Date of Termination, provided that, Executive's Target Annual bonus shall be used for either of the fiscal years beginning in each of January 2017 and 2018 to the extent the Date of Termination occurs prior to the date that annual bonuses for the applicable fiscal year has been determined (and, if payable, paid) in respect of both years or (ii) if payment under this Agreement is being triggered upon a Change in Control Termination, Annual Bonus shall for this purpose mean the higher of the applicable amount determined under clause (i) of this definition and the Executive's Target Annual Bonus.

d. "*Cause*" means (i) a material breach by Executive (other than a breach resulting from Executive's incapacity due to a condition that with the passing of time would be a Disability) of Executive's duties and responsibilities which breach is demonstrably willful and deliberate on Executive's part, is committed in bad faith or without reasonable belief that such breach is in the best interests of the Company and is not remedied in a reasonable period of time after receipt of written notice from the Board specifying such breach; (ii) the indictment and conviction of, or pleading of guilty or nolo contendere by, Executive to a felony; or (iii) willful misconduct in connection with Executive's employment.

e. "*Change in Control*" shall have the meanings such term in the Company's 2014 stock plan.

f. "*Change in Control Termination*" means a Qualifying Termination occurring either (i) within 180 calendar days prior to a Change in Control, so long as a definitive agreement pursuant to which transactions contemplated thereunder would result in a Change in Control, has been executed by the Company prior to such Date of Termination or (ii) on or with two (2) years after a Change in Control occurs.

g. "*Code*" means the Internal Revenue Code of 1986, as amended.

h. "*Competitive Business*" means any corporation, partnership, association, or other person or entity (including but not limited to Executive) that:

i. is listed on Appendix A or is otherwise included in the Company's annual proxy statement (the "*Proxy*") as most recently filed prior to the Date of Termination, each of which Executive acknowledges is a Competitive Business, whether or not it falls within the categories in subsection (c)(ii) immediately below; or

ii. engages in any business which, at any time during the most recent eighteen (18) months of Executive's Company Employment and regardless of the business format (including but not limited to a department store, specialty store, discount store, direct marketing, or electronic commerce): (A) consists of marketing, manufacturing or selling apparel and/or home products that are material products of the Company, at a price point similar to that of the Company and which entity has a combined annual revenue in excess of $250 million that is primarily generated by any combination of the products described above ; and (B) the Board of Directors of the Company (the "*Board*") (or a designated committee thereof) reasonably identifies and adds to Appendix A by written notice to Executive at least ninety (90) days prior to the Date of Termination (provided that the Company's filing of the Proxy with the Securities and Exchange Commission shall constitute valid notice to Executive of any such identification or addition regardless of whether such filing occurs at least ninety (90) days prior to the Date of Termination).

Notwithstanding the foregoing, in no event shall "Competitive Business" include (A) any activity in which Executive proposes to engage, to which the Board provides its written consent to Executive, not to be unreasonably withheld; or (B) services by Executive as an advisor to any private equity firm, so long as Executive is providing strategic investment and management advice (including on an acquisition, but excluding for the avoidance of doubt, advising in respect of any company that would otherwise meet the definition of a Competitive Business already in, or once it becomes a part of, the private equity firm portfolio) in the area of apparel and/or home products generally and is not otherwise sharing Confidential Information or providing advice and/or guidance to any entity listed as a Competitive Business as referenced in subparagraphs i. and ii. above.

i. "*Confidential Information*" means information related to the Company's business, not generally known in the trade or industry, which Executive learns or creates during the period of Executive's Company Employment, which may include but is not limited to product specifications, manufacturing procedures, methods, equipment, compositions, technology, formulas, know-how, research and development programs, sales methods, customer lists, customer usages and requirements, personnel evaluations and compensation data, computer programs and other confidential technical or business information and data that is not otherwise in the public domain.

j. "*Disability*" means disability as defined under the Company's long-term disability plan (regardless of whether Executive is a participant under such plan), including the completion of any time period required for full coverage under such plan.

k. "*Executive's Company Employment*" means the time during which Executive is employed by any entity comprised within the definition of "Company," regardless of any change in the entity actually employing Executive.

l. "*Good Reason*" shall mean, without Executive's prior written consent, (i) a reduction of more than ten percent (10%) from the highest prior level of either the Executive's annual rate of base salary or Target Annual Bonus under the Company's Annual Incentive Plan (and for the avoidance of doubt, any reduction that is equal to or less than such 10% amount may only occur to the extent in connection with a general reduction of annual rate of base salary that applies proportionately to all executive officers); (ii) Executive's mandatory relocation to an office more than fifty (50) miles from the primary location at which Executive was required to perform Executive's duties prior to such relocation; (iii) Executive is no longer the principal executive officer of the Company; (iv) a material diminution in Executive's duties, responsibilities or authority, or the assignment of duties or responsibilities materially inconsistent with Executive's position as principal executive officer of the Company (which shall be presumed to occur if Executive ceases to report directly to the Board); (v) any time that ESL Investments, Inc. and its affiliate entities beneficially own more than twenty percent (20%) of the Company's shares entitled to vote for directors, and they, in whole or in part, vote against Executive's reelection to the Board while Executive is serving as the Chief Executive Officer of the Company; or (vi) any other action or inaction that constitutes a material breach of the terms of the Employment Letter, including the failure of a successor company to assume or fulfill the obligations under the Employment Letter or this Agreement. In each case, Executive must provide Company with written notice of the facts giving rise to a claim that "Good Reason" exists for purposes of this Agreement, within sixty (60) days of the initial existence of such Good Reason event, and Company shall have the right to remedy such event within thirty (30) days after receipt of Executive's written notice. "Good Reason" shall cease to exist, and may not form the basis for claiming any compensation or benefits under this Agreement, if any of the following occurs:

i. Executive fails to provide the above-referenced written notice of the Good Reason event within sixty (60) days of its occurrence;

ii. Company remedies the Good Reason event within the above-referenced thirty (30) day remediation period; or

iii. Executive fails to resign within fifteen (15) days after the above-referenced thirty (30) day remediation period.

m. "*Qualifying Termination*" means the first to occur of a termination of the Executive's Company Employment by the Company without Cause or by Executive upon his resignation for Good Reason, in any such case in accordance with the applicable procedural provisions set forth in this Agreement.

n. “*Restricted Period*” means (i) twenty-four (24) months following the Date of Termination that corresponds to any Separation from Service described in Section 2(a) below or (ii) twelve (12) months following the Date of Termination that corresponds to any Separation from Service not described in Section 2(a) below. Notwithstanding any provision of this Agreement to the contrary, on and after the first anniversary of a Qualifying Termination, Executive may elect, by written notice to the Company, to (a) forfeit all rights to the payments and benefits otherwise to be provided under Section 2 of this Agreement between and including the date on which Executive commences engaging in activity that would, but for this provision, constitute a breach of Section 8 of this Agreement (such date to be specified in such notice, the “*Forfeiture Date*”)) through the end of the Salary Continuation Period and (b) reimburse the Company, in an amount in cash equal to the prorata portion of the value of the portion of the Sign-On Awards (as such term is defined in the Employment Letter) that became vested in accordance with the terms of the applicable Sign-On Award grant agreements as of Executive’s Date of Termination, with such amount equal to the product of (i) the sum of (x) the net after-tax amount on Executive’s Date of Termination of the shares of Company common stock delivered to Executive in settlement of the Sign-on RSUs (as such term is defined in the Employment Letter) that became vested in accordance with the terms of the applicable Sign-On RSU grant agreement as of Executive’s Date of Termination plus (y) the net after-tax amount that Executive would have realized on the Date of Termination in respect of the Sign-On Options assuming that, as of Executive's Date of Termination, Executive had exercised in full all Sign-On Options (as such term is defined in the Employment Letter) and (ii) a fraction, equal to (x) the number of calendar days remaining between and including the Forfeiture Date through the end of the Salary Continuation Period, divided by (y) the number of days in the Salary Continuation Period, and upon such forfeiture and reimbursement, the restrictions imposed on Executive under Section 8 of this Agreement shall cease to apply to Executive as of the Forfeiture Date.

o. "*Salary Continuation*" means the sum of monthly base salary, based on Executive's highest monthly base salary rate prior to the date Executive's Company Employment terminates ("*Date of Termination*") and one- twelfth of Executive's Annual Bonus payable for a period of twenty-four (24) months following the Date of Termination ("*Salary Continuation Period*"), provided that, if the event giving rise to payment of Salary Continuation is a Change in Control Termination, such period shall be thirty (30) months.

p. "*Section 409A Threshold*" means an amount equal to the sum of the following amounts: (x) two times the lesser of (1) Executive's base salary for services provided to the Company as an employee for the calendar year preceding the calendar year in which Executive has a Separation from Service; and (2) the maximum amount that may be taken into account under a qualified plan in accordance with Code Section 401(a)(17) for the calendar year in which the Executive has a Separation from Service, and (y) the amount of Executive's Salary Continuation that does not otherwise provide for a deferral of compensation by application of Treasury Regulation Section 1.409A-1(b)(4). In all events, this amount shall be limited to the amounts specified under Treasury Regulation Sections 1.409A-1(b)(9)(iii)(A) and 1.409A-1(b)(9)(iii)(B) and the amount of any payments of Salary Continuation described in Treasury Regulation Section 1.409A-1(b)(4)(i) or any successors thereto.

q. "*Separation from Service*" means a "separation from service" with the Company within the meaning of Code Section 409A (and regulations issued thereunder). Notwithstanding anything herein to the contrary, the fact that Executive is treated as having incurred a Separation from Service under Code Section 409A and the terms of this Agreement shall not be determinative, or in any way affect the analysis, of whether Executive has retired, terminated employment, separated from service, incurred a severance from employment or become entitled to a distribution, under the terms of any qualified retirement plan (including pension plans and 401(k) savings plans) maintained by the Company.

r. "*Specified Employee*" means a "specified employee" under Code Section 409A (and regulations issued thereunder).

s. *"Trade Secret"* means information, including a formula, pattern, compilation, program, device, method, technique or process, that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and that is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

Employment.

2. Severance.

a. Upon the occurrence of a Qualifying Termination, Executive shall be entitled to the following:

i. Salary Continuation during the Salary Continuation Period.

ii. Continuation of health, dental and vision coverage for Executive, his spouse and his dependents, as applicable, at the applicable active employee rate (which shall be withheld, as applicable, from payments of Executive's Salary Continuation) until the end of the pay period that includes the last day of the Salary Continuation Period, on the same terms as they were provided immediately prior to the Date of Termination (the "*Continuation Benefits*"). Any such coverage provided during the Salary Continuation Period shall not run concurrently with the applicable continuation period in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act ("*COBRA*"). If Executive becomes eligible to participate in another medical or dental benefit plan or arrangement through another employer during such period, the Company shall no longer pay for continuation coverage benefits and Executive shall be required to pay the full COBRA premium. Executive is required to notify the Company within thirty (30) days of obtaining other medical or dental benefits coverage. Any coverage provided under this

Section 2(a)(ii) shall be subject to such amendments (including termination) of the coverage available to active participants as the Company shall make from time to time at its sole discretion, including but not limited to changes in covered expenses, employee contributions for premiums, and co-payment obligations, and shall be, to the fullest extent permitted by law, secondary to any other coverage Executive may obtain from subsequent employment. If the Company's health plans are self- funded within the meaning of Code Section 105(h), the premiums paid by the Company for coverage shall be treated as taxable income to Executive.

iii. Reasonable outplacement services considering Executive's position, mutually agreed upon by the Company and Executive from those vendors used by Company as of the Date of Termination, for a period of up to twelve (12) months or until subsequent employment is obtained, whichever occurs first. In addition, a resignation by Executive for Good Reason under this Agreement shall also be deemed to be a termination without Cause for purposes of Executive's Relocation Repayment Agreement entered into with the Company on or prior to the Start Date, with all attendant benefits to be provided thereunder.

iv. Accrued Amounts.

Executive shall not be entitled to continuation of compensation or benefits if Executive's employment terminates for any other reason, including due to death or Disability, except as may be provided under any other agreement or benefit plan applicable to Executive at the time of the termination of Executive's employment and except for Accrued Benefits (provided that upon a resignation without Good Reason or Termination for Cause, the pro rata annual bonus otherwise payable in respect of the year in which the Date of Termination occurs shall not be paid). Executive shall also not be entitled to Salary Continuation, the Continuation Benefits nor the outplacement services pursuant to clause iii. above, after Executive materially violates the terms of this Agreement, including the material requirements under Section 8, unless such violation is effectively curable and Executive cures such violation within ten (10) business days after written notice of such violation by the Company. Except as provided in this Section 2, all other compensation and benefits shall terminate as of the Date of Termination.

b. Subject to subsection (c), Company shall pay Executive's Salary Continuation due under Section 2(a)(i) in substantially equal installments on each regular salary payroll date for the Salary Continuation Period, except as otherwise provided in this Agreement. Salary Continuation payments shall be subject to withholdings for federal and state income taxes, FICA, Medicare and other legally required or authorized deductions. For the avoidance of doubt, Executive shall not be obligated to seek affirmatively or accept an employment, contractor, consulting or other arrangement to mitigate Salary Continuation and any other amounts received for such activities shall not reduce the amounts due hereunder. Further, to the extent Executive does not execute and timely submit the General Release and Waiver (in accordance with Section 7) by the deadline specified therein, or revokes such General Release and Waiver, Salary Continuation payments Continuation Benefits shall terminate and forever lapse, and Executive shall be required immediately to reimburse the Company for any portion of the Salary Continuation and health benefits premiums paid during the Salary Continuation Period. For clarity, the Salary Continuation and Continuation Benefits shall, subject to paragraph c below, start immediately upon the Date of Termination and not be delayed until such General Release and Waiver is executed and not revoked. To the extent such Salary Continuation was paid in a calendar year prior to the calendar year in which such reimbursement is received by the Company, the reimbursement shall be in the gross amount of such Salary Continuation on a pre-tax-withholding basis. To the extent such Salary Continuation was paid in the same calendar year as the reimbursement is received by the Company, the reimbursement shall be in the net amount of such Salary Continuation on an after-tax-withholding basis. In the event such reimbursement is required with respect to Salary Continuation payments that are reported on a Form W-2 for Executive, Executive shall be solely responsible for claiming any related tax deduction, and the Company shall not be required to issue a corrected Form W-2 except as required by law.

c. If at the time of Separation from Service, the Executive is a Specified Employee, payment of any nonqualified deferred compensation due during such six (6) month period shall be deferred until the earlier of six (6) months and one (1) day after the Executive’s Separation from Service or the Executive’s death and then paid in a lump sum; provided that, if the Executive’s Separation from Service qualifies under Code 409A for the application of the

Section 409A Threshold, such Section 409A Threshold shall be applied, after application of any short term deferral period that applies to payments, such that full payment of the nonqualified deferred compensation shall be made until the Section 409A Threshold is reached and then any remaining payments during such six (6) months period shall be deferred until the end of the period or Executive's earlier death.

d. If the Termination is a Change in Control Termination and occurs prior to the Change in Control, any increased Annual Bonus amount that becomes due as a result of the Change in Control from the period prior to the Change in Control shall be paid in a lump sum upon the Change in Control, but if, and only if, the Change in Control is covered by Treasury Reg. 1-409A-3(i)(v).

e. If any of the payments or benefits received or to be received by Executive (whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this paragraph, be subject to the excise tax imposed under Section 4999 of the Code (the "*Excise Tax*"), then such payments shall be reduced by the minimum possible amounts until no amount payable to Executive will be subject to the Excise Tax; *provided*, *however*, that no such reduction shall be made if the net after-tax payment (after taking into account federal, state, local or other income, employment and excise taxes) to which Executive would otherwise be entitled without such reduction would be greater than the net after-tax payment (after taking into account federal, state, local or other income, employment and excise taxes) to Executive resulting from the receipt of such payments with such reduction. In applying any such reduction, the Executive shall be entitled to elect the order of reduction to the extent such right would not be a violation of Code Sections 280G, 409A or 4999. If it is a violation or the Executive does not elect, to the extent any such payments may be subject to Code Section 409A, the reduction shall be applied to in the following order (i) any payments of Salary Continuation starting with the last payment due, (ii) vesting of compensatory awards of shares (or in the absence of shares, restricted stock units) to the extent Treas. Reg 1.280G-Q and A24(c) does not apply in reverse order, (iii) vesting of compensatory awards of shares (or in the absence of shares, restricted stock units) to the extent such Section does not apply in reverse order, (iv) compensatory stock options on the sum basis and sum order as (n) and (m) and then (v) any remaining payments on a pro rata basis in proportion to the amount of such payments that are considered "contingent on a change in ownership or control" within the meaning of Section 280G of the Code. All calculations and determinations under this subsection (e) shall be made by an independent accounting firm or independent tax counsel appointed by the Company whose determinations shall be conclusive and binding on the Company and the Executive for all purposes and who (x) shall provide an opinion to the Company (in respect of which the Company shall use its reasonable best efforts to also require such firm or counsel to provide an opinion to Executive) that can be relied on for filing tax returns and (y) shall provide copies of all such calculations, as well as a copy of a formal valuation of any non-competition provision that impacts the foregoing calculations. All fees and expenses of the accounting firm or tax counsel shall be borne solely by the Company and shall be paid by the Company.

3. Confidentiality. Subject to Section 11(b) below, in addition to all duties of loyalty imposed on Executive by law or otherwise, during the term of Executive's Company Employment and for two years following the termination of such employment for any reason, other than in the reasonable and good faith performance of his duties to the Company, Executive shall maintain Confidential Information in confidence and secrecy and shall not disclose Confidential Information or use it for the benefit of any person or organization (including Executive) other than the Company without the prior written consent of an authorized officer of the Company (except for disclosures to persons acting on the Company's behalf with a need to know such information).

4. Non-Disclosure of Trade Secrets. Subject to Section 11(b) below, during Executive's Company Employment, except in the reasonable and good faith performance of his duties to the Company, Executive shall preserve and protect Trade Secrets of the Company from unauthorized use or disclosure; and after termination of such employment, Executive shall not use or disclose any Trade Secret of the Company for so long as that Trade Secret remains a Trade Secret.

5. Third-Party Confidentiality. Executive shall not disclose to the Company, use on its behalf, or otherwise induce the Company to use any secret or confidential information belonging to persons or entities not affiliated with the Company, which may include a former employer of Executive, if Executive then has an obligation or duty to any person or entity (other than the Company) to not disclose such information to other persons or entities, including the

Company. Executive acknowledges that the Company has disclosed that the Company is now, and may be in the future, subject to duties to third parties to maintain information in confidence and secrecy. By executing this Agreement, Executive consents to be bound by any such duty owed by the Company to any third party of which he is informed.

6. Work Product. Executive acknowledges that all ideas, inventions, innovations, improvements, developments, methods, designs, analyses, reports, databases, and any other similar or related information (whether patentable or not) which relate to the actual or anticipated business, research and development, or existing or known future products or services of the Company which are or were conceived, developed or created by Executive (alone or jointly with others) during Executive's Company Employment (the "*Work Product*") is and shall remain the exclusive property of the Company. Executive acknowledges and agrees that all copyrightable Work Product was created in Executive's capacity as an employee of Lands' End and within the scope of Executive's Company Employment, and thus constitutes a "work made for hire" under the Copyright Act of 1976, as amended. Executive hereby assigns to the Company all right, title and interest in and to all Work Product, and agrees to perform all actions reasonably requested by the Company to establish, confirm or protect the Company's ownership thereof (including, without limitation, executing assignments, powers of attorney and other instruments).

7. General Release and Waiver. Upon or following Executive's Date of Termination potentially entitling Executive to Salary Continuation and other benefits under Section 2 above, Executive will execute a binding general release and waiver of claims in a form substantially similar to the attached Appendix B. If the General Release and Waiver is not signed within the time it requires or is signed but subsequently revoked, Executive will not

continue to receive any Salary Continuation otherwise payable, and shall reimburse any Salary Continuation previously paid.

8. Noncompetition. During Executive's Company Employment and thereafter for the applicable Restricted Period, Executive shall not, directly or indirectly, participate in, consult with, be employed by, or assist with the organization, planning, financing, management, operation or control of any Competitive Business, provided the foregoing shall not limit Executive from being involved in the noncompetitive portion of a Competitive Business.

9. Nonsolicitation. During Executive's Company Employment and for eighteen (18) months following the termination of such employment for any reason, Executive shall not, directly or indirectly, either by himself or by providing substantial assistance to others (i) solicit any employee of the Company to terminate employment with the Company, or (ii) employ or seek to employ, or cause or assist any other person, company, entity or business to employ or seek to employ, any individual who was both an employee of the Company as of Executive's Date of Termination and has been an employee of the Company in the six (6) months prior to the event. The foregoing shall not be violated by general advertising not targeted at employees of the Company or serving as a reference upon request to an entity with which Executive is not associated.

10. Future Employment. During Executive's Company Employment and thereafter for the applicable Restricted Period, before accepting any employment with any Competitive Business (whether or not Executive believes such employment is prohibited by Section 8), Executive shall disclose to the Company the identity of any such Competitive Business and a complete description of the duties involved in such prospective employment,

including a full description of any business, territory or market segment to which Executive will be assigned. Further, during Executive's Company Employment and for eighteen (18) months following the termination of such employment for any reason, Executive agrees that, before accepting any future employment, Executive will provide a copy of this Agreement to any prospective employer of Executive, and Executive hereby authorizes the Company to do likewise, whether before or after the outset of the future employment.

11. Nondisparagement; Cooperation.

a. During Executive's Company Employment and for two (2) years following the termination of such employment for any reason, Executive (i) will not criticize or disparage the Company or its directors, officers, employees or products, and (ii) will reasonably cooperate with the Company in all investigations, potential litigation or litigation in which the Company is involved or may become involved with respect to matters that relate to Executive's Company Employment (other than any such investigations, potential litigation or litigation between Company and Executive); *provided*, *that*, with regard to Executive's duties under clause (ii), Executive shall be reimbursed for reasonable travel and out-of-pocket expenses related thereto, but shall otherwise not be entitled to any additional compensation. During Executive's Company employment and for two (2) years following the termination of such employment, the Company's executive officers and its directors shall not, directly or indirectly, except the directors and/or executive officers amongst themselves while Executive is employed in their reasonable and good faith performance of their duties to the Company, criticize or disparage Executive.

b. Notwithstanding the foregoing, nothing in this Section 11 or any other provision of this Agreement shall prevent Executive or the officers and directors from (i) making any truthful statement to the extent, but only to the extent (A) necessary with respect to any litigation, arbitration or mediation involving this Agreement or the Employment Letter, including, but not limited to, the enforcement of this Agreement or the Employment Letter, in the forum in which such litigation, arbitration or mediation properly takes place or (B) required by law, legal process or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with apparent jurisdiction, (ii) making normal competitive statements any time after the expiration of the applicable Restricted Period, (iii) rebut false or misleading statements made by others and/or (iv) making any statements in the reasonable and good faith performance of duties to the Company while Executive is employed by the Company.

12. Indemnification. After termination, the Company shall continue to maintain a directors and officers liability insurance policy covering Executive to the extent the Company provides such coverage for its executive officers and directors and shall continue to cover Executive under any indemnification agreement, by-laws or other existing indemnification rights while liability continues to exist after the Date of Termination.

13. Notices. All notices, request, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given (or received, as applicable) upon the calendar date when delivered by hand or when mailed by United States certified or registered mail with postage prepaid addressed as follows:

a. If to Executive, to such person or address which Executive has furnished to the Company in writing pursuant to the above.

b. If to the Company, to the attention of the Company's General Counsel at the address set forth on the signature page of this Agreement or to such other person or address as the Company shall furnish to Executive in writing pursuant to the above.

14. Enforceability. Executive recognizes that irreparable injury may result to the Company, its business and property, and the potential value thereof in the event of a sale or other transfer, if Executive breaches any of the restrictions imposed on Executive by this Agreement, and Executive agrees that if Executive shall engage in any act in violation of such provisions, then the Company shall be entitled, in addition to such other remedies and damages as may be available, to an injunction prohibiting Executive from engaging in any such act.

15. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon and enforceable by Lands' End, Inc., its successors, pending assigns and Affiliates, all of which (other than Lands' End, Inc.) are intended third-party beneficiaries of this Agreement. Executive hereby consents to the assignment of this Agreement to any person or entity, which is a successor to all or substantially all of the Lands' End business provided such entity assumes the obligation hereunder in writing.

16. Validity. Any invalidity or unenforceability of any provision of this Agreement is not intended to affect the validity or enforceability of any other provision of this Agreement, which the parties intend to be severable and divisible, and to remain in full force and effect to the greatest extent permissible under applicable law.

17. Choice of Law; Jurisdiction. Except to the extent superseded or preempted by federal U.S. law, the rights and obligations of the parties and the terms of this Agreement shall be governed by and construed in accordance with the domestic laws of the State of Wisconsin, but without regard to the State of Wisconsin's conflict of laws rules. The parties further agree that the state and federal courts in Madison, Wisconsin, shall have exclusive jurisdiction over any claim which in any way arises out of Executive's employment with the Company, including but not limited to any claim seeking to enforce the provisions of this Agreement.

18. Section 409A Compliance. To the extent that a payment or benefit under this Agreement is subject to Code Section 409A, it is intended that this Agreement as applied to that payment or benefit comply with or be exempt from the requirements of Code Section 409A, and the Agreement shall be administered and interpreted consistent with this intent. Notwithstanding any provision of this Agreement to the contrary, for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment that are considered deferred compensation under Section 409A, references to Executive's "termination of employment" (and corollary terms) with the Company shall be construed to refer to Executive's "separation from service" (within the meaning of Treas. Reg. Section 1.409A-1(h)) with the Company. Whenever payments under this Agreement are to be made in installments, each such installment shall be deemed to be a separate payment for purposes of Section 409A. With respect to any reimbursement or in-kind benefit arrangements of the Company that constitute deferred compensation for purposes of Section 409A, except as otherwise permitted by Section 409A, the following conditions shall be applicable: (i) the amount eligible for reimbursement, or in-kind benefits provided, under any

such arrangement in one calendar year may not affect the amount eligible for reimbursement, or in-kind benefits to be provided, under such arrangement in any other calendar year, (ii) any reimbursement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and (iii) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

19. Effectiveness. The parties to this Agreement each acknowledge and agree that Executive's employment shall not commence, and Executive shall not be subject to or eligible for payments and benefits under this Agreement, in each case until Executive commences Executive's Company Employment on the Start Date. Notwithstanding the foregoing, in the event that, after the Effective Date but prior to the Start Date, (a) the Company terminates the Employment Letter and this Agreement and rescinds the offer to Executive to commence employment with the Company on the Start Date (under circumstances other than those which, if Executive were employed with the Company at such time, would constitute Cause), then Executive shall be entitled to receive the Salary Continuation in accordance with the terms of Section 2.a.i. above, with the Salary Continuation Period to commence on the next regularly scheduled payroll date occurring after the Company has provided written notice to Executive of its termination of the Employment Letter and this Agreement, or (b) Executive terminates the Employment Letter and this Agreement, Executive shall first be required to provide sixty (60) days advance written notice to the Company of such termination, in which case Executive acknowledges and agrees that Executive, for good and valuable consideration, shall be bound by the restrictive covenants set forth in Sections 3 through 9 of this Agreement, as if Executive had resigned without Good Reason on the date of such written notice.

20. Miscellaneous. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. This Agreement may be modified only by a written agreement signed by Executive and a duly authorized officer or director of the Company.

[END OF DOCUMENT. SIGNATURES ON NEXT PAGE.]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

EXECUTIVE

/s/ Jerome S. Griffith
Jerome S. Griffith

LANDS' END, INC.
By: /s/ Josephine Linden
Name: Josephine Linden
Its: Chair, Board of Directors

5 Lands' End Lane
Dodgeville, WI 53595

[*Signature Page to Jerome S. Griffith Executive Severance Agreement]*

Appendix A

Amazon.com
Ann Taylor
Ascena Retail Group, Inc.
Bonobos
Brooks Brothers
Chico's
Eddie Bauer
The Gap Company
J. C. Penney Company Inc.
J. Crew
Jos. A. Bank
Kate Spade
Kohl’s
L Brands
L.L. Bean
Next Retail
Polo Ralph Lauren
Talbots
Target
Tommy Hilfiger
Vineyard Vines

Appendix B

NOTICE: YOU MAY CONSIDER THIS GENERAL RELEASE AND WAIVER FOR UP TO TWENTY-ONE (21) DAYS. YOU MAY NOT SIGN IT UNTIL ON OR AFTER YOUR LAST DAY OF WORK. IF YOU DECIDE TO SIGN IT, YOU MUST DELIVER A SIGNED COPY TO LANDS' END, INC. BY NO LATER THAN THE TWENTY- SECOND (22ND) DAY AFTER YOUR LAST DAY OF WORK TO THE GENERAL COUNSEL, LANDS' END, INC., 5 LANDS' END LANE, DODGEVILLE, WISCONSIN 53595. YOU MAY REVOKE THE GENERAL RELEASE AND WAIVER WITHIN SEVEN (7) DAYS AFTER SIGNING. ANY REVOCATION WITHIN THIS PERIOD MUST BE IMMEDIATELY SUBMITTED IN WRITING TO THE GENERAL COUNSEL AT THE ADDRESS SET FORTH ABOVE. YOU MAY WISH TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS DOCUMENT.

GENERAL RELEASE AND WAIVER

In consideration of the severance benefits that are described in the attached Executive Severance Agreement that I previously entered into with Lands' End, Inc., dated December 19, 2016, I, for myself, my heirs, administrators, representatives, executors, successors and assigns, do hereby release Lands' End, Inc., its current and former agents, subsidiaries, affiliates, related organizations, employees, officers, directors, shareholders, attorneys, successors, and assigns (collectively, "Lands' End") from any and all claims of any kind whatsoever, whether known or unknown, arising out of, or connected with, my employment with Lands' End and the termination of my employment. Without limiting the general application of the foregoing, this General Release & Waiver releases, to the fullest extent permitted under law, all contract, tort, defamation, and personal injury claims; all claims based on any legal restriction upon Lands' End's right to terminate my employment at will; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e et seq.; the Age Discrimination in Employment Act, 29 U.S.C. §§ 621 et seq.; the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq.; the Rehabilitation Act of 1973, 29 U.S.C. §§ 701 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq. ("ERISA"); 29 U.S.C. § 1985; the Civil Rights Reconstruction Era Acts, 42 U.S.C. §§ 1981-1988; the National Labor Relations Act, 29 U.S.C. §§ 151 et seq.; the Family & Medical Leave Act, 29 U.S.C. §§ 2601 et seq.; the Immigration & Nationality Act, 8 U.S.C. §§ 1101 et seq.; Executive Order 11246 and all regulations thereunder; the Wisconsin Fair Employment Act, Wis. Stat. §§ 111.31-111.395; the Wisconsin Family & Medical Leave Act, Wis. Stat. § 103.10; the Wisconsin Worker's Compensation Act, Wis. Stat. Ch. 102; and any and all other state, federal or local laws of any kind, whether administrative, regulatory, statutory or decisional.

This General Release & Waiver does not apply to any claims that may arise after the date I sign this General Release & Waiver. Also excluded from this General Release & Waiver are any claims that cannot be waived by law, including but not limited to (1) my right to file a charge with or participate in an investigation conducted by the Equal Employment Opportunity Commission and (2) my rights or claims to benefits accrued under benefit plans maintained by Lands' End and governed by ERISA. I do, however, waive any right to any monetary or other relief flowing from any agency or third-party claims or charges, including any charge I might file with any federal, state or local agency. I warrant and represent that I have not filed any complaint, charge, or lawsuit against Lands' End with any governmental agency or with any court. The release does not cover any rights to indemnification or rights to directors and officers liability insurance coverage

I also waive any right to become, and promise not to consent to become a participant, member, or named representative of any class in any case in which claims are asserted against Lands' End that are related in any way to my employment or termination of employment at Lands' End, and that involve events that have occurred as of the date I sign this General Release and Waiver. If I, without my consent, am made a member of a class in any proceeding, I will opt out of the class at the first opportunity afforded to me after learning of my inclusion. In this regard, I agree that I will execute, without objection or delay, an "opt-out" form presented to me either by the court in which such proceeding is pending, by class counsel or by counsel for Lands' End.

I have read this General Release and Waiver and understand all of its terms.

I have signed it voluntarily with full knowledge of its legal significance.

I have had the opportunity to seek, and I have been advised in writing of my right to seek, legal counsel prior to signing this General Release & Waiver.

I was given at least twenty-one (21) days to consider signing this General Release & Waiver. I agree that any modification of this General Release & Waiver Agreement will not restart the twenty-one (21) day consideration period.

I understand that if I sign the General Release & Waiver, I can change my mind and revoke it within seven (7) days after signing it by notifying the General Counsel of Lands' End in writing at Lands' End, Inc., 5 Lands' End Lane, Dodgeville, Wisconsin 53595. I understand the General Release & Waiver will not be effective until after the seven (7) day revocation period has expired.

I understand that the delivery of the consideration herein stated does not constitute an admission of liability by Lands' End and that Lands' End expressly denies any wrongdoing or liability.

Date:	**SAMPLE ONLY—DO NOT DATE**	Signed by:	**SAMPLE ONLY—DO NOT SIGN**
		Witness by:	**SAMPLE ONLY—DO NOT SIGN**

EXHIBIT 10.3

EXECUTIVE SEVERANCE AGREEMENT

This Executive Severance Agreement ("*Agreement*") is made effective as of the 21st day of April, 2017 (the "*Effective Date*"), between Lands' End, Inc., a Delaware corporation (together with its successors, assigns and Affiliates, the "*Company*"), and Peter L. Gray ("*Executive*").

WHEREAS, in light of the Company's size and its visibility as a publicly traded company that reports its results to the public, the Company has attracted the attention of other companies and businesses seeking to obtain for themselves or their customers some of the Company's business acumen and know-how; ; and

WHEREAS, the Company and Executive have entered into an employment letter agreement dated April 21st, 2017 (the "*Employment Letter*"), pursuant to which the Company has agreed to employ Executive commencing on (May 8th, 2017), (the "*Start Date*") on the terms and conditions contained in the Employment Letter, which includes Executive entering into this Agreement, and Executive has agreed to accept such employment on such terms and conditions, including those obligations contained in this Agreement; and

WHEREAS, the Company shall, in connection with Executive commencing employment with the Company, share with Executive certain aspects of its business acumen and know-how as well as specific confidential and proprietary information about the products, markets, processes, costs, developments, ideas, and personnel of the Company; and

WHEREAS, the Company shall, in connection with Executive commencing employment with the Company, imbue Executive with certain aspects of the goodwill that the Company has developed with its customers, vendors, representatives and employees; and

WHEREAS, in consideration for Executive commencing employment with the Company and entering into this Agreement, the Company is extending to Executive the opportunity to receive severance benefits under certain circumstances as provided in this Agreement.

NOW, THEREFORE, in consideration of the foregoing, and of the respective covenants and agreements of the parties set forth in this Agreement, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms have the meanings indicated (but if not otherwise defined herein, capitalized terms as used in this Agreement will have the meanings indicated in the Employment Letter):

a. "*Accrued Accounts*" means (i) unpaid base salary, accrued but unused vacation and expense reimbursements due, which shall be paid promptly after Executive's Separation from Service, amounts due under any benefit or equity plan, grant or program, paid in accordance with the terms of such plan, grant or program, and any unpaid bonus for any prior completed fiscal year paid when the bonus would otherwise be paid for such prior fiscal year (which, for the avoidance of doubt, shall not be paid in duplication of the same or any similar obligations under any other arrangement) and (iv) to the extent that a Qualifying

Termination occurs within the last six calendar months of a given fiscal year, a pro rata bonus that would otherwise be payable under the Company's Annual Incentive Plan for such fiscal year based on actual results from the fiscal year, multiplied by the ratio of the number of days employed during such fiscal year to the number of days in the year, and paid when bonuses are otherwise paid under the Annual Incentive Plan for such fiscal year (but in no event later than April 15 following the end of such fiscal year).

b. "*Affiliate*" means any subsidiary or other entity that, directly or indirectly through one or more intermediaries, is controlled by Lands' End, Inc., whether now existing or hereafter formed or acquired. For purposes hereof, "control" means the power to vote or direct the voting of sufficient securities or other interests to elect one-third of the directors or managers or to control the management of such subsidiary or other entity.

c. "*Annual Bonus*" shall mean (i) the average bonus (annualized for any partial fiscal year) paid (if any) to Executive under the Company's Annual Incentive Plan in the last two consecutive completed fiscal years ending prior to the Date of Termination, provided that, Executive's Target Annual bonus shall be used for either of the fiscal years beginning in each of January 2017 and 2018 to the extent the Date of Termination occurs prior to the date that annual bonuses for the applicable fiscal year has been determined (and, if payable, paid) in respect of both years or (ii) if payment under this Agreement is being triggered upon a Change in Control Termination, Annual Bonus shall for this purpose mean the higher of the applicable amount determined under clause (i) of this definition and the Executive's Target Annual Bonus.

d. "*Cause*" means (i) a material breach by Executive (other than a breach resulting from Executive's incapacity due to a condition that with the passing of time would be a Disability) of Executive's duties and responsibilities which breach is demonstrably willful and deliberate on Executive's part, is committed in bad faith or without reasonable belief that such breach is in the best interests of the Company and is not remedied in a reasonable period of time after receipt of written notice from the Board specifying such breach; (ii) the indictment and conviction of, or pleading of guilty or nolo contendere by, Executive to a felony; or (iii) willful misconduct in connection with Executive's employment.

e. "*Change in Control*" shall have the meanings such term in the Company's 2014 Stock Plan (As Amended and Restated).

f. "*Change in Control Termination*" means a Qualifying Termination occurring either (i) within 180 calendar days prior to a Change in Control, so long as a definitive agreement pursuant to which transactions contemplated thereunder would result in a Change in Control, has been executed by the Company prior to such Date of Termination or (ii) on or within two (2) years after a Change in Control occurs.

g. "*Code*" means the Internal Revenue Code of 1986, as amended.

h. "*Competitive Business*" means any corporation, partnership, association, or other person or entity (including but not limited to Executive) that:

i. is listed on Appendix A or is otherwise included in the Company's annual proxy statement (the "*Proxy*") as most recently filed prior to the Date of Termination, each of which Executive acknowledges is a Competitive Business, whether or not it falls within the categories in subsection (c)(ii) immediately below; or

ii. engages in any business which, at any time during the most recent eighteen (18) months of Executive's Company Employment and regardless of the business format (including but not limited to a department store, specialty store, discount store, direct marketing, or electronic commerce): (A) consists of marketing, manufacturing or selling apparel and/or home products that are material products of the Company, at a price point similar to that of the Company and which entity has a combined annual revenue in excess of $250 million that is primarily generated by any combination of the products described above ; and (B) the Board of Directors of the Company (the "*Board*") (or a designated committee thereof) reasonably identifies and adds to Appendix A by written notice to Executive at least ninety (90) days prior to the Date of Termination (provided that the Company's filing of the Proxy with the Securities and Exchange Commission shall constitute valid notice to Executive of any such identification or addition regardless of whether such filing occurs at least ninety (90) days prior to the Date of Termination).

Notwithstanding the foregoing, in no event shall "Competitive Business" include (A) any activity in which Executive proposes to engage, to which the Board provides its written consent to Executive, not to be unreasonably withheld; or (B) services by Executive as an advisor to any private equity firm, so long as Executive is providing strategic investment and management advice (including on an acquisition, but excluding for the avoidance of doubt, advising in respect of any company that would otherwise meet the definition of a Competitive Business already in, or once it becomes a part of, the private equity firm portfolio) in the area of apparel and/or home products generally and is not otherwise sharing Confidential Information or providing advice and/or guidance to any entity listed as a Competitive Business as referenced in subparagraphs i. and ii. above.

i. "*Confidential Information*" means information related to the Company's business, not generally known in the trade or industry, which Executive learns or creates during the period of Executive's Company Employment, which may include but is not limited to product specifications, manufacturing procedures, methods, equipment, compositions, technology, formulas, know-how, research and development programs, sales methods, customer lists, customer usages and requirements, personnel evaluations and compensation data, computer programs and other confidential technical or business information and data that is not otherwise in the public domain.

j. "*Disability*" means disability as defined under the Company's long-term disability plan (regardless of whether Executive is a participant under such plan), including the completion of any time period required for full coverage under such plan.

k. "*Executive's Company Employment*" means the time during which Executive is employed by any entity comprised within the definition of "Company," regardless of any change in the entity actually employing Executive.

l. "*Good Reason*" shall mean, without Executive's prior written consent, (i) a reduction of more than ten percent (10%) from the highest prior level of either the Executive's annual rate of base salary or Target Annual Bonus under the Company's Annual Incentive Plan (and for the avoidance of doubt, any reduction that is equal to or less than such 10% amount may only occur to the extent in connection with a general reduction of annual rate of base salary that applies proportionately to all executive officers); (ii) Executive's mandatory relocation to an office more than fifty (50) miles from the primary location at which Executive was required to perform Executive's duties prior to such relocation; (iii) a material diminution in Executive's duties, responsibilities or authority, or the assignment of duties or responsibilities materially inconsistent with Executive's position as Executive Vice President, Chief Administrative Officer & General Counsel of the Company; or (iv) any other action or inaction that constitutes a material breach of the terms of the Employment Letter, including the failure of a successor company to assume or fulfill the obligations under the Employment Letter or this Agreement. In each case, Executive must provide Company with written notice of the facts giving rise to a claim that "Good Reason" exists for purposes of this Agreement, within sixty (60) days of the initial existence of such Good Reason event, and Company shall have the right to remedy such event within thirty (30) days after receipt of Executive's written notice. "Good Reason" shall cease to exist, and may not form the basis for claiming any compensation or benefits under this Agreement, if any of the following occurs:

i. Executive fails to provide the above-referenced written notice of the Good Reason event within sixty (60) days of its occurrence;

ii. Company remedies the Good Reason event within the above-referenced thirty (30) day remediation period; or

iii. Executive fails to resign within fifteen (15) days after the above-referenced thirty (30) day remediation period.

m. "*Qualifying Termination*" means the first to occur of a termination of the Executive's Company Employment by the Company without Cause or by Executive upon his resignation for Good Reason, in any such case in accordance with the applicable procedural provisions set forth in this Agreement.

n. "*Restricted Period*" means (i) the Salary Continuation Period that corresponds to any Separation from Service described in Section 2(a) below or (ii) twelve (12) months following the Date of Termination that corresponds to any Separation from Service not described in Section 2(a) below. Notwithstanding any provision of this Agreement to the contrary, on and after the first anniversary of a Qualifying Termination, Executive may elect, by written notice to the Company, to (a) forfeit all rights to the payments and benefits otherwise to be provided under Section 2 of this Agreement between and including the date on which Executive commences engaging in activity that would, but for this provision, constitute a breach of Section 8 of this Agreement (such date to be specified in such notice, the "*Forfeiture Date*")) through the end of the Salary Continuation Period and (b) reimburse the Company, in an amount in cash equal to the prorata portion of the value of the portion of the Sign-On Awards (as such term is defined in the Employment Letter) that became vested in accordance with the terms of the applicable Sign-On Award grant agreements as of Executive's Date of Termination, with such amount equal to the product of (i) the sum of (x) the net after-tax amount on Executive's Date of Termination of the shares of Company common stock delivered to Executive in settlement of the Sign-on RSUs (as such term is defined in the Employment Letter) that became vested in accordance with the terms of the applicable Sign-On RSU grant agreement as of Executive's Date of Termination plus (y) the net after-tax amount that Executive would have realized on the Date of Termination in respect of the Sign-On Options assuming that, as of Executive's Date of Termination, Executive had exercised in full all Sign-On Options (as such term is defined in the Employment Letter) and (ii) a fraction, equal to (x) the number of calendar days remaining between and including the Forfeiture Date through the end of the Salary Continuation Period, divided by (y) the number of days in the Salary Continuation Period, and upon such forfeiture and reimbursement, the restrictions imposed on Executive under Section 8 of this Agreement shall cease to apply to Executive as of the Forfeiture Date.

o. “*Salary Continuation*” means the sum of monthly base salary, based on Executive’s highest monthly base salary rate prior to the date Executive’s Company Employment terminates (“*Date of Termination*”) and one- twelfth of Executive’s Annual Bonus payable for a period of twelve (12) months following the Date of Termination (“*Salary Continuation Period*”), provided that, if the event giving rise to payment of Salary Continuation is a Change in Control Termination, such period shall be twenty-four (24) months.

p. “*Section 409A Threshold*” means an amount equal to the sum of the following amounts: (x) two times the lesser of (1) Executive’s base salary for services provided to the Company as an employee for the calendar year preceding the calendar year in which Executive has a Separation from Service; and (2) the maximum amount that may be taken into account under a qualified plan in accordance with Code Section 401(a)(17) for the calendar year in which the Executive has a Separation from Service, and (y) the amount of Executive’s Salary Continuation that does not otherwise provide for a deferral of compensation by application of Treasury Regulation Section 1.409A-1(b)(4). In all events, this amount shall be limited to the amounts specified under Treasury Regulation Sections 1.409A-1(b)(9)(iii)(A) and 1.409A-1(b)(9)(iii)(B) and the amount of any payments of Salary Continuation described in Treasury Regulation Section 1.409A-1(b)(4)(i) or any successors thereto.

q. “*Separation from Service*” means a “separation from service” with the Company within the meaning of Code Section 409A (and regulations issued thereunder). Notwithstanding anything herein to the contrary, the fact that Executive is treated as having incurred a Separation from Service under Code Section 409A and the terms of this Agreement shall not be determinative, or in any way affect the analysis, of whether Executive has retired, terminated employment, separated from service, incurred a severance from employment or become entitled to a distribution, under the terms of any qualified retirement plan (including pension plans and 401(k) savings plans) maintained by the Company.

r. "*Specified Employee*" means a "specified employee" under Code Section 409A (and regulations issued thereunder).

s. *"Trade Secret"* means information, including a formula, pattern, compilation, program, device, method, technique or process, that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and that is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

2. Severance.

a. Upon the occurrence of a Qualifying Termination, Executive shall be entitled to the following:

i. Salary Continuation during the Salary Continuation Period.

ii. Continuation of health, dental and vision coverage for Executive, his spouse and his dependents, as applicable, at the applicable active employee rate (which shall be withheld, as applicable, from payments of Executive's Salary Continuation) until the end of the pay period that includes the last day of the Salary Continuation Period, on the same terms as they were provided immediately prior to the Date of Termination (the "*Continuation Benefits*"). Any such coverage provided during the Salary Continuation Period shall not run concurrently with the applicable continuation period in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act ("*COBRA*"). If Executive becomes eligible to participate in another medical or dental benefit plan or arrangement through another employer during such period, the Company shall no longer pay for continuation coverage benefits and Executive shall be required to pay the full COBRA premium. Executive is required to notify the Company within thirty (30) days of obtaining other medical or dental benefits coverage. Any coverage provided under this Section 2(a)(ii) shall be subject to such amendments (including termination) of the coverage available to active participants as the Company shall make from time to time at its sole discretion, including but not limited to changes in covered expenses, employee contributions for premiums, and co-payment obligations, and shall be, to the fullest extent permitted by law, secondary to any other coverage Executive may obtain from subsequent employment. If the Company's health plans are self- funded within the meaning of Code Section 105(h), the premiums paid by the Company for coverage shall be treated as taxable income to Executive.

iii. Reasonable outplacement services considering Executive's position, mutually agreed upon by the Company and Executive from those vendors used by Company as of the Date of Termination, for a period of up to twelve (12) months or until subsequent employment is obtained, whichever occurs first.

iv. Accrued Amounts.

a. Executive shall not be entitled to continuation of compensation or benefits if Executive's employment terminates for any other reason, including due to death or Disability, except as may be provided under any other agreement or benefit plan applicable to Executive at the time of the termination of Executive's employment and except for Accrued Benefits (provided that upon a resignation without Good Reason or Termination for Cause, the pro rata annual bonus otherwise payable in respect of the year in which the Date of Termination occurs shall not be paid). Executive shall also not be entitled to Salary Continuation, the Continuation Benefits nor the outplacement services pursuant to clause iii. above, after Executive materially violates the terms of this Agreement, including the material requirements under Section 8, unless such violation is effectively curable and Executive cures such violation within ten (10) business days after written notice of such violation by the Company. Except as provided in this Section 2, all other compensation and benefits shall terminate as of the Date of Termination.

b. Subject to subsection (c), Company shall pay Executive's Salary Continuation due under Section 2(a)(i) in substantially equal installments on each regular salary payroll date for the Salary Continuation Period, except as otherwise provided in this Agreement. Salary Continuation payments shall be subject to withholdings for federal and state income taxes, FICA, Medicare and other legally required or authorized deductions. For the avoidance of doubt, Executive shall not be obligated to seek affirmatively or accept an employment, contractor, consulting or other arrangement to mitigate Salary Continuation and any other amounts received for such activities shall not reduce the amounts due hereunder. Further, to the extent Executive does not execute and timely submit the General Release and Waiver (in accordance with Section 7) by the deadline specified therein, or revokes such General Release and Waiver, Salary Continuation payments Continuation Benefits shall terminate and forever lapse, and Executive shall be required immediately to reimburse the Company for any portion of the Salary Continuation and health benefits premiums paid during the Salary Continuation Period. For clarity, the Salary Continuation and Continuation Benefits shall, subject to paragraph c below, start immediately upon the Date of Termination and not be delayed until such General Release and Waiver is executed and not revoked. To the extent such Salary Continuation was paid in a calendar year prior to the calendar year in which such reimbursement is received by the Company, the reimbursement shall be in the gross amount of such Salary Continuation on a pre-tax-withholding basis. To the extent such Salary Continuation was paid in the same calendar year as the reimbursement is received by the Company, the reimbursement shall be in the net amount of such Salary Continuation on an after-tax-withholding basis. In the event such reimbursement is required with respect to Salary Continuation payments that are reported on a Form W-2 for Executive, Executive shall be solely responsible for claiming any related tax deduction, and the Company shall not be required to issue a corrected Form W-2 except as required by law.

c. If at the time of Separation from Service, the Executive is a Specified Employee, payment of any nonqualified deferred compensation due during such six (6) month period shall be deferred until the earlier of six (6) months and one (1) day after the Executive's Separation from Service or the Executive's death and then paid in a lump sum; provided that, if the Executive's Separation from Service qualifies under Code 409A for the application of the Section 409A Threshold, such Section 409A Threshold shall be applied, after application of any short term deferral period that applies to payments, such that full payment of the nonqualified deferred compensation shall be made until the Section 409A Threshold is reached and then any remaining payments during such six (6) months period shall be deferred until the end of the period or Executive's earlier death.

d. If the Termination is a Change in Control Termination and occurs prior to the Change in Control, any increased Annual Bonus amount that becomes due as a result of the Change in Control from the period prior to the Change in Control shall be paid in a lump sum upon the Change in Control, but if, and only if, the Change in Control is covered by Treasury Reg. 1-409A-3(i)(v).

e. If any of the payments or benefits received or to be received by Executive (whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this paragraph, be subject to the excise tax imposed under Section 4999 of the Code (the "*Excise Tax*"), then such payments shall be reduced by the minimum possible amounts until no amount payable to Executive will be subject to the Excise Tax; *provided*, *however*, that no such reduction shall be made if the net after-tax payment (after taking into account federal, state, local or other income, employment and excise taxes) to which Executive would otherwise be entitled without such reduction would be greater than the net after-tax payment (after taking into account federal, state, local or other income, employment and excise taxes) to Executive resulting from the receipt of such payments with such reduction. In applying any such reduction, the Executive shall be entitled to elect the order of reduction to the extent such right would not be a violation of Code Sections 280G, 409A or 4999. If it is a violation or the Executive does not elect, to the extent any such payments may be subject to Code Section 409A, the reduction shall be applied to in the following order (i) any payments of Salary Continuation starting with the last payment due, (ii) vesting of compensatory awards of shares (or in the absence of shares, restricted stock units) to the extent Treas. Reg 1.280G-Q and A24(c) does not apply in reverse order, (iii) vesting of compensatory awards of shares (or in the absence of shares, restricted stock units) to the extent such Section does not apply in reverse order, (iv) compensatory stock options on the sum basis and sum order as (n) and (m) and then (v) any remaining payments on a pro rata basis in proportion to the amount of such payments that are considered “contingent on a change in ownership or control” within the meaning of Section 280G of the Code. All calculations and determinations under this subsection (e) shall be made by an independent accounting firm or independent tax counsel appointed by the Company whose determinations shall be conclusive and binding on the Company and the Executive for all purposes and who (x) shall provide an opinion to the Company (in respect of which the Company shall use its reasonable best efforts to also require such firm or counsel to provide an opinion to Executive) that can be relied on for filing tax returns and (y) shall provide copies of all such calculations, as well as a copy of a formal valuation of any non-competition provision that impacts the foregoing calculations. All fees and expenses of the accounting firm or tax counsel shall be borne solely by the Company and shall be paid by the Company.

3. Confidentiality. Subject to Section 11(b) below, in addition to all duties of loyalty imposed on Executive by law or otherwise, during the term of Executive's Company Employment and for two years following the termination of such employment for any reason, other than in the reasonable and good faith performance of his duties to the Company, Executive shall maintain Confidential Information in confidence and secrecy and shall not disclose Confidential Information or use it for the benefit of any person or organization (including Executive) other than the Company without the prior written consent of an authorized officer of the Company (except for disclosures to persons acting on the Company's behalf with a need to know such information). Nothing set forth in this Agreement shall prohibit Executive from reporting possible violations of federal or state law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General, or making other disclosures that are protected under the whistleblower provisions of federal or state law or regulation. Executive shall not be required to receive prior authorization from the Company, in order to make any such reports or disclosures, or to notify the Company that he has made such reports or.

4. Non-Disclosure of Trade Secrets. Subject to Section 11(b) below, during Executive's Company Employment, except in the reasonable and good faith performance of his duties to the Company, Executive shall preserve and protect Trade Secrets of the Company from unauthorized use or disclosure; and after termination of such employment, Executive shall not use or disclose any Trade Secret of the Company for so long as that Trade Secret remains a Trade Secret.

5. Third-Party Confidentiality. Executive shall not disclose to the Company, use on its behalf, or otherwise induce the Company to use any secret or confidential information belonging to persons or entities not affiliated with the Company, which may include a former employer of Executive, if Executive then has an obligation or duty to any person or entity (other than the Company) to not disclose such information to other persons or entities, including the Company. Executive acknowledges that the Company has disclosed that the Company is now, and may be in the future, subject to duties to third parties to maintain information in confidence and secrecy. By executing this Agreement, Executive consents to be bound by any such duty owed by the Company to any third party of which he is informed.

6. Work Product. Executive acknowledges that all ideas, inventions, innovations, improvements, developments, methods, designs, analyses, reports, databases, and any other similar or related information (whether patentable or not) which relate to the actual or anticipated business, research and development, or existing or known future products or services of the Company which are or were conceived, developed or created by Executive (alone or jointly with others) during Executive's Company Employment (the "*Work Product*") is and shall remain the exclusive property of the Company. Executive acknowledges and agrees that all copyrightable Work Product was created in Executive's capacity as an employee of Lands' End and within the scope of Executive's Company Employment, and thus constitutes a "work made for hire" under the Copyright Act of 1976, as amended. Executive hereby assigns to the Company all right, title and interest in and to all Work Product, and agrees to perform all actions reasonably requested by the Company to establish, confirm or protect the Company's ownership thereof (including, without limitation, executing assignments, powers of attorney and other instruments).

7. General Release and Waiver. Upon or following Executive's Date of Termination potentially entitling Executive to Salary Continuation and other benefits under Section 2 above, Executive will execute a binding general release and waiver of claims in a form substantially similar to the attached Appendix B. If the General Release and Waiver is not signed within the time it requires or is signed but subsequently revoked, Executive will not continue to receive any Salary Continuation otherwise payable, and shall reimburse any Salary Continuation previously paid.

8. Noncompetition. During Executive's Company Employment and thereafter for the applicable Restricted Period, Executive shall not, directly or indirectly, participate in, consult with, be employed by, or assist with the organization, planning, financing, management, operation or control of any Competitive Business, provided the foregoing shall not limit Executive from being involved in the noncompetitive portion of a Competitive Business.

9. Nonsolicitation. During Executive's Company Employment and for eighteen (18) months following the termination of such employment for any reason, Executive shall not, directly or indirectly, either by himself or by providing substantial assistance to others (i) solicit any employee of the Company to terminate employment with the Company, or (ii) employ or seek to employ, or cause or assist any other person, company, entity or business to employ or seek to employ, any individual who was both an employee of the Company as of Executive's Date of Termination and has been an employee of the Company in the six (6) months prior to the event. The foregoing shall not be violated by general advertising not targeted at employees of the Company or serving as a reference upon request to an entity with which Executive is not associated.

10. Future Employment. During Executive's Company Employment and thereafter for the applicable Restricted Period, before accepting any employment with any Competitive Business (whether or not Executive believes such employment is prohibited by Section 8), Executive shall disclose to the Company the identity of any such Competitive Business and a complete description of the duties involved in such prospective employment, including a full description of any business, territory or market segment to which Executive will be assigned. Further, during Executive's Company Employment and for eighteen (18) months following the termination of such employment for any reason, Executive agrees that, before accepting any future employment, Executive will provide a copy of this Agreement to any prospective employer of Executive, and Executive hereby authorizes the Company to do likewise, whether before or after the outset of the future employment.

11. Nondisparagement; Cooperation.

a. During Executive's Company Employment and for two (2) years following the termination of such employment for any reason, Executive (i) will not criticize or disparage the Company or its directors, officers, employees or products, and (ii) will reasonably cooperate with the Company in all investigations, potential litigation or litigation in which the Company is involved or may become involved with respect to matters that relate to Executive's Company Employment (other than any such investigations, potential litigation or litigation between Company and Executive); *provided*, *that*, with regard to Executive's duties under clause (ii), Executive shall be reimbursed for reasonable travel and out-of-pocket expenses related thereto, but shall otherwise not be entitled to any additional compensation. During Executive's Company employment and for two (2) years following the termination of such employment, the Company's executive officers and its directors shall not, directly or indirectly, except the directors and/or executive officers amongst themselves while Executive is employed in their reasonable and good faith performance of their duties to the Company, criticize or disparage Executive.

b. Notwithstanding the foregoing, nothing in this Section 11 or any other provision of this Agreement shall prevent Executive or the officers and directors from (i) making any truthful statement to the extent, but only to the extent (A) necessary with respect to any litigation, arbitration or mediation involving this Agreement or the Employment Letter, including, but not limited to, the enforcement of this Agreement or the Employment Letter, in the forum in which such litigation, arbitration or mediation properly takes place or (B) required by law, legal process or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with apparent jurisdiction, (ii) making normal competitive statements any time after the expiration of the applicable Restricted Period, (iii) rebut false or misleading statements made by others and/or (iv) making any statements in the reasonable and good faith performance of duties to the Company while Executive is employed by the Company.

12. Indemnification. After termination, the Company shall continue to maintain a directors and officers liability insurance policy covering Executive to the extent the Company provides such coverage for its executive officers and directors and shall continue to

cover Executive under any indemnification agreement, by-laws or other existing indemnification rights while liability continues to exist after the Date of Termination.

13. Notices. All notices, request, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given (or received, as applicable) upon the calendar date when delivered by hand or when mailed by United States certified or registered mail with postage prepaid addressed as follows:

a. If to Executive, to such person or address which Executive has furnished to the Company in writing pursuant to the above.

b. If to the Company, to the attention of the Company's Chief Executive Officer at the address set forth on the signature page of this Agreement or to such other person or address as the Company shall furnish to Executive in writing pursuant to the above.

14. Enforceability. Executive recognizes that irreparable injury may result to the Company, its business and property, and the potential value thereof in the event of a sale or other transfer, if Executive breaches any of the restrictions imposed on Executive by this Agreement, and Executive agrees that if Executive shall engage in any act in violation of such provisions, then the Company shall be entitled, in addition to such other remedies and damages as may be available, to an injunction prohibiting Executive from engaging in any such act.

15. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon and enforceable by Lands' End, Inc., its successors, pending assigns and Affiliates, all of which (other than Lands' End, Inc.) are intended third-party beneficiaries of this

Agreement. Executive hereby consents to the assignment of this Agreement to any person or entity, which is a successor to all or substantially all of the Lands' End business provided such entity assumes the obligation hereunder in writing.

16. Validity. Any invalidity or unenforceability of any provision of this Agreement is not intended to affect the validity or enforceability of any other provision of this Agreement, which the parties intend to be severable and divisible, and to remain in full force and effect to the greatest extent permissible under applicable law.

17. Choice of Law; Jurisdiction. Except to the extent superseded or preempted by federal U.S. law, the rights and obligations of the parties and the terms of this Agreement shall be governed by and construed in accordance with the domestic laws of the State of Wisconsin, but without regard to the State of Wisconsin's conflict of laws rules. The parties further agree that the state and federal courts in Madison, Wisconsin, shall have exclusive jurisdiction over any claim which in any way arises out of Executive's employment with the Company, including but not limited to any claim seeking to enforce the provisions of this Agreement.

18. Section 409A Compliance. To the extent that a payment or benefit under this Agreement is subject to Code Section 409A, it is intended that this Agreement as applied to that payment or benefit comply with or be exempt from the requirements of Code Section 409A, and the Agreement shall be administered and interpreted consistent with this intent. Notwithstanding any provision of this Agreement to the contrary, for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment that are considered deferred compensation under Section 409A, references to Executive's "termination of employment" (and corollary terms) with the Company

shall be construed to refer to Executive's "separation from service" (within the meaning of Treas. Reg. Section 1.409A-1(h)) with the Company. Whenever payments under this Agreement are to be made in installments, each such installment shall be deemed to be a separate payment for purposes of Section 409A. With respect to any reimbursement or in-kind benefit arrangements of the Company that constitute deferred compensation for purposes of Section 409A, except as otherwise permitted by Section 409A, the following conditions shall be applicable: (i) the amount eligible for reimbursement, or in-kind benefits provided, under any such arrangement in one calendar year may not affect the amount eligible for reimbursement, or in-kind benefits to be provided, under such arrangement in any other calendar year, (ii) any reimbursement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and (iii) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

19. Effectiveness. The parties to this Agreement each acknowledge and agree that Executive's employment shall not commence, and Executive shall not be subject to or eligible for payments and benefits under this Agreement, in each case until Executive commences Executive's Company Employment on the Start Date. Notwithstanding the foregoing, in the event that, after the Effective Date but prior to the Start Date, (a) the Company terminates the Employment Letter and this Agreement and rescinds the offer to Executive to commence employment with the Company on the Start Date (under circumstances other than those which, if Executive were employed with the Company at such time, would constitute Cause), then Executive shall be entitled to receive the Salary Continuation in accordance with the terms of Section 2.a.i. above, with the Salary Continuation Period to commence on the next regularly scheduled payroll date occurring after the Company has provided written notice to

Executive of its termination of the Employment Letter and this Agreement, or (b) Executive terminates the Employment Letter and this Agreement, Executive shall first be required to provide sixty (60) days advance written notice to the Company of such termination, in which case Executive acknowledges and agrees that Executive, for good and valuable consideration, shall be bound by the restrictive covenants set forth in Sections 3 through 9 of this Agreement, as if Executive had resigned without Good Reason on the date of such written notice.

20. Miscellaneous. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. This Agreement may be modified only by a written agreement signed by Executive and a duly authorized officer or director of the Company.

[END OF DOCUMENT. SIGNATURES ON NEXT PAGE.]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

EXECUTIVE

/s/ Peter L. Gray
Peter L. Gray

LANDS' END, INC.
By: /s/ Jerome S. Griffith
Name: Jerome S. Griffith
Its: Chief Executive Officer & President

5 Lands' End Lane
Dodgeville, WI 53595

[Signature Page to Peter L. Gray Executive Severance Agreement]

Appendix A

Amazon.com
Ann Taylor
Ascena Retail Group, Inc.
Bonobos
Brooks Brothers
Chico's
Eddie Bauer
The Gap Company
J. C. Penney Company Inc.
J. Crew
Jos. A. Bank
Kate Spade
Kohl’s
L Brands
L.L. Bean
Next Retail
Polo Ralph Lauren
Talbots
Target
Tommy Hilfiger
Vineyard Vines

Appendix B

NOTICE: YOU MAY CONSIDER THIS GENERAL RELEASE AND WAIVER FOR UP TO TWENTY-ONE (21) DAYS. YOU MAY NOT SIGN IT UNTIL ON OR AFTER YOUR LAST DAY OF WORK. IF YOU DECIDE TO SIGN IT, YOU MUST DELIVER A SIGNED COPY TO LANDS' END, INC. BY NO LATER THAN THE TWENTY- SECOND (22ND) DAY AFTER YOUR LAST DAY OF WORK TO THE GENERAL COUNSEL, LANDS' END, INC., 5 LANDS' END LANE, DODGEVILLE, WISCONSIN 53595. YOU MAY REVOKE THE GENERAL RELEASE AND WAIVER WITHIN SEVEN (7) DAYS AFTER SIGNING. ANY REVOCATION WITHIN THIS PERIOD MUST BE IMMEDIATELY SUBMITTED IN WRITING TO THE GENERAL COUNSEL AT THE ADDRESS SET FORTH ABOVE. YOU MAY WISH TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS DOCUMENT.

GENERAL RELEASE AND WAIVER

In consideration of the severance benefits that are described in the attached Executive Severance Agreement that I previously entered into with Lands' End, Inc., dated as of April 21st, 2017, I, for myself, my heirs, administrators, representatives, executors, successors and assigns, do hereby release Lands' End, Inc., its current and former agents, subsidiaries, affiliates, related organizations, employees, officers, directors, shareholders, attorneys, successors, and assigns (collectively, " Lands' End") from any and all claims of any kind whatsoever, whether known or unknown, arising out of, or connected with, my employment with Lands' End and the termination of my employment. Without limiting the general application of the foregoing, this General Release & Waiver releases, to the fullest extent permitted under law, all contract, tort, defamation, and personal injury claims; all claims based on any legal restriction upon Lands' End's right to terminate my employment at will; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e et seq.; the Age Discrimination in Employment Act, 29 U.S.C. §§ 621 et seq.; the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq.; the Rehabilitation Act of 1973, 29 U.S.C. §§ 701 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq. ("ERISA"); 29 U.S.C. § 1985; the Civil Rights Reconstruction Era Acts, 42 U.S.C. §§ 1981-1988; the National Labor Relations Act, 29 U.S.C. §§ 151 et seq.; the Family & Medical Leave Act, 29 U.S.C. §§ 2601 et seq.; the Immigration & Nationality Act, 8 U.S.C. §§ 1101 et seq.; Executive Order 11246 and all regulations thereunder; the Wisconsin Fair Employment Act, Wis. Stat. §§ 111.31-111.395; the Wisconsin Family & Medical Leave Act, Wis. Stat. § 103.10; the Wisconsin Worker's Compensation Act, Wis. Stat. Ch. 102; and any and all other state, federal or local laws of any kind, whether administrative, regulatory, statutory or decisional.

This General Release & Waiver does not apply to any claims that may arise after the date I sign this General Release & Waiver. Also excluded from this General Release & Waiver are any claims that cannot be waived by law, including but not limited to (1) my right to file a charge with or participate in an investigation conducted by the Equal Employment Opportunity Commission and (2) my rights or claims to benefits accrued under benefit plans maintained by Lands' End and governed by ERISA. I do, however, waive any right to any monetary or other relief flowing from any agency or third-party claims or charges, including any charge I might file with any federal, state or local agency. I warrant and represent that I have not filed any complaint, charge, or lawsuit against Lands' End with any governmental agency or with any court. The release does not cover any rights to indemnification or rights to directors and officers liability insurance coverage

I also waive any right to become, and promise not to consent to become a participant, member, or named representative of any class in any case in which claims are asserted against Lands' End that are related in any way to my employment or termination of employment at Lands' End, and that involve events that have occurred as of the date I sign this General Release and Waiver. If I, without my consent, am made a member of a class in any proceeding, I will opt out of the class at the first opportunity afforded to me after learning of my inclusion. In this regard, I agree that I will execute, without objection or delay, an "opt-out" form presented to me either by the court in which such proceeding is pending, by class counsel or by counsel for Lands' End.

I have read this General Release and Waiver and understand all of its terms.

I have signed it voluntarily with full knowledge of its legal significance.

I have had the opportunity to seek, and I have been advised in writing of my right to seek, legal counsel prior to signing this General Release & Waiver.

I was given at least twenty-one (21) days to consider signing this General Release & Waiver. I agree that any modification of this General Release & Waiver Agreement will not restart the twenty-one (21) day consideration period.

I understand that if I sign the General Release & Waiver, I can change my mind and revoke it within seven (7) days after signing it by notifying the General Counsel of Lands' End in writing at Lands' End, Inc., 5 Lands' End Lane, Dodgeville, Wisconsin 53595. I understand the General Release & Waiver will not be effective until after the seven (7) day revocation period has expired.

I understand that the delivery of the consideration herein stated does not constitute an admission of liability by Lands' End and that Lands' End expressly denies any wrongdoing or liability.

Date: **SAMPLE ONLY— DO NOT DATE**

Signed by: **SAMPLE ONLY— DO NOT SIGN**
Witness by: **SAMPLE ONLY— DO NOT SIGN**

EXHIBIT 31.1

CERTIFICATIONS

I, Jerome Griffith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lands’ End, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: September 2, 2021

/s/ Jerome Griffith

Jerome Griffith

Chief Executive Officer

(Principal Executive Officer)

Lands' End, Inc.

EXHIBIT 31.2

CERTIFICATIONS

I, James Gooch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lands’ End, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: September 2, 2021

/s/ James Gooch

James Gooch

President and Chief Financial Officer

(Principal Financial Officer)

Lands' End, Inc.

EXHIBIT 32.1

CERTIFICATION

Pursuant to 18 U.S.C. 1350 as adopted by Section 906 of the Sarbanes-Oxley Act of 2002

Each of the undersigned, Jerome Griffith, Chief Executive Officer of Lands' End, Inc. (the "Company") and James Gooch, President and Chief Financial Officer of the Company, has executed this certification in connection with the filing with the Securities and Exchange Commission of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 30, 2021 (the "Report").

Each of the undersigned hereby certifies that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 2, 2021

/s/ Jerome Griffith

Jerome Griffith

Chief Executive Officer
(Principal Executive Officer)

Date: September 2, 2021

/s/ James Gooch

James Gooch

President and Chief Financial Officer
(Principal Financial Officer)