



# CREATING CHANGE

DECKERS BRANDS  
CORPORATE RESPONSIBILITY AND  
SUSTAINABILITY REPORT  
FY 2020



# DECKERS — BRANDS —

FOR THE REPORTING PERIOD APRIL 1, 2019 - MARCH 31, 2020



<b>DECKERSBRANDS IN SUMMARY</b>	<b>5</b>
DECKERS BRANDS IN SUMMARY - FY20	6
<b>WELCOME</b>	<b>9</b>
MESSAGE FROM OUR CEO	11
INTRODUCTION	12
UNITED NATIONS GLOBAL COMPACT AND DECKERS' SUSTAINABLE DEVELOPMENT GOALS	13
FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS	14
PROGRAM GOVERNANCE	32
STAKEHOLDER ENGAGEMENT	34
COMPANY VALUES	35
INTEGRITY FIRST	36
<b>GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION</b>	<b>39</b>
PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL	41
FY20 BENEFITS	50
COMMUNITY	52
<b>ENVIRONMENT</b>	<b>61</b>
WATER	62
WASTE	66
CLIMATE AND CLEAN ENERGY	82
MATERIALS	92

<b>HUMAN RIGHTS</b>	<b>131</b>
HUMAN RIGHTS	132
<b>CHEMISTRY &amp; CONSUMER SAFETY</b>	<b>138</b>
<b>ADDITIONAL INFORMATION</b>	<b>143</b>
ADDITIONAL INFORMATION	144
REFERENCES	145
<b>APPENDICES</b>	<b>147</b>
DEFINITIONS	149
SUPPLY CHAIN PARTNER DISCLOSURES	150
PACKAGING LCA ADDITIONAL INFORMATION	160
PRODUCT MATERIALS LCA ADDITIONAL INFORMATION	170
FY20 DISCLOSURES - GLOBAL REPORTING INDEX (GRI) CONTENT INDEX	180
FY20 DISCLOSURES - SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX	196
FY20 DISCLOSURES - COMPARISON OF FRAMEWORKS SASB AND TASK FORCE CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)	200

**DECKERS  
BRANDS  
IN SUMMARY**





DECKERS BRANDS IN SUMMARY

# DECKERS BRANDS IN SUMMARY - FY20

OUR BRANDS



**\$2.133 BILLION**  
TOTAL SALES



● MANUFACTURING COUNTRIES ● MARKETS SERVED

**COUNTRIES WE MANUFACTURE IN / NUMBER OF SUPPLY CHAIN PARTNERS**

- CHINA (28)**  
Tier 1: 4 Footwear and 10 Lifestyle  
Tier 2: 14 Suppliers
- VIETNAM (19):**  
Tier 1: 11 Footwear and 1 Lifestyle  
Tier 2: 7 Suppliers
- PHILIPPINES (1)**  
Tier 1: 1 Footwear

- CAMBODIA (1)**  
Tier 1: 1 Footwear
- THAILAND (1)**  
Tier 2: 1 Supplier
- MYANMAR (1)**  
Tier 1: 1 Lifestyle
- DOMINICAN REPUBLIC (1)**  
Tier 1: 1 Footwear

**MARKETS SERVED**

- NORTH AMERICA
- APAC
- EMEA
- SOUTH AMERICA

52 factories - Tier 1 (T1) and Tier 2 (T2)

**WELCOME**



## WELCOME

# MESSAGE FROM OUR CEO



Deckers is dedicated to being a sustainable and resilient long-term business. We are a company with a heart and a soul, a company that maintains a strong purpose at its core. We live by the values underpinning the B Corporation movement and we recognize that we need to do our part to make the world a better place.

We will always stand up for the causes that we believe in and put our energy behind them, from the way we source our products, to the way we treat our employees and the way we treat our planet. I challenge our global teams to conduct business in a way that balances both purpose and profit.

Our purpose is to positively impact the world by uniting purposeful brands with a diverse group of people driven to succeed and create change. We recognize that being socially and environmentally driven and performing well in business are not mutually exclusive. I'm proud that we were selected in FY20 as one of the **50 BEST ESG COMPANIES**, proving we can perform well while being mindful of the planet and the communities in which we operate.

As members of the United Nations Global Compact we were early adopters of Sustainable Development Goals (SDGs). In FY20, we improved our targets under each SDG to help hold us accountable and better track progress against them in the areas of materials, waste, water, gender equality, reduced inequalities, quality education, chemistry, climate and clean energy, and human rights.

In FY21, we will continue to drive SDG progress, finalize our product materials lifecycle assessment so that we can develop and design more sustainable products, evaluate more sophisticated carbon reduction measures, examine footwear recycling opportunities, and explore a partnership to support regenerative farming practices.

I am proud of the extraordinary work our global teams are doing and am thankful to each of them for continuing to drive our business performance while keeping purpose at the core of their efforts. We will never remain stagnant and we promise to always challenge ourselves to do better, think bigger, be disruptive in the best possible way, and question the impossible. We will create positive global change!

Thank you for taking the time to read through our FY20 Corporate Responsibility and Sustainability Report.

Sincerely,

Dave Powers  
President and Chief Executive Officer

We will never remain stagnant and we promise to always challenge ourselves to do better, think bigger, be disruptive in the best possible way, and question the impossible. We will create global change!

WELCOME

# INTRODUCTION

As a global leader in designing, marketing and distributing innovative footwear, apparel, and accessories, our worldwide scope and impact is significant. Our global platform means we have a responsibility to our consumers, employees, stockholders, and the communities we serve. Consumers are increasingly buying brands that advance sustainable business practices. We employ sustainable business practices and socially conscious operations, with the goal of continuing to deliver quality products to our consumers and sound financial performance to our stockholders, while minimizing the environmental impact of our business footprint.

Sustainability is not an easy journey, but our Corporate Responsibility and Sustainability Report will show you how we continue to serve our local communities, maintain an ethical supply chain, and significantly reduce our overall environmental footprint.

WELCOME

# UNITED NATIONS GLOBAL COMPACT AND DECKERS' SUSTAINABLE DEVELOPMENT GOALS

Deckers has been a member of the world's largest corporate sustainability initiative, the United Nations Global Compact (UNGC), since 2016. The UNGC principles guide companies to action-oriented efforts to support SDG implementation.

We adopted SDGs that were most relevant to our business and our portfolio of brands. In FY20, we established targets under each SDG because we believe in transformative change - change that is only possible with a focused and transparent approach. We believe our targets will keep us accountable and help us to track our progress and commitment in the categories of materials, waste, water, gender equality and quality education, chemistry, climate and clean energy and human rights.




“50 Best ESG Companies: A List of Today’s Top Stocks for Environmental, Social, and Governance Values.”

INVESTOR'S BUSINESS DAILY™



WELCOME

# FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS



## MATERIALS

INCORPORATE MORE CERTIFIED RESPONSIBLE AND SUSTAINABLE MATERIALS IN OUR PRODUCTS (INCLUDING RECYCLED, RENEWABLE, REGENERATED, AND NATURAL), REDUCING OUR PRODUCT FOOTPRINT BY 50%.

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
<p>Baseline all footwear materials footprint from all material categories including waste production and methods of waste disposal FY21</p> <p>Material categories include:</p> <ul style="list-style-type: none"> <li>▪ Closures</li> <li>▪ Components</li> <li>▪ Leather</li> <li>▪ Midsole</li> <li>▪ Outsole</li> <li>▪ Packaging</li> <li>▪ Sheepskin</li> <li>▪ Synthetic</li> <li>▪ Textiles</li> </ul>	Retained third-party Lifecycle Assessment (LCA) tool	<ul style="list-style-type: none"> <li>▪ Tool selected and questionnaire deployed to materials suppliers to improve data</li> <li>▪ Packaging category LCA completed with new tool</li> <li>▪ Leather and sheepskin environmental study completed</li> <li>▪ Wool fiber LCA completed with new tool</li> </ul>	<p>Due: 2021</p> <p>ON TRACK</p>
100% of our hides/skins will be finished in Leather Working Group Certified tanneries	97% of hides/skins sourced from Leather Working Group Certified Tanneries within our leather and sheepskin material categories	<ul style="list-style-type: none"> <li>▪ 97.33% of hides/skins sourced from Leather Working Group Certified Tanneries within our leather and sheepskin material categories</li> <li>▪ 100% of sheepskin sourced via Leather Working Group certified tanneries</li> <li>▪ Licensee and Agents (used for non-footwear products) have committed to sourcing 100% LWG certified by 2021</li> </ul>	<p>Due: 2022</p> <p>ON TRACK</p>
A PFC-free supply chain by 2021	Publicly committed to eliminating PFCs from our supply chain at Tier 1 and Tier 2	<ul style="list-style-type: none"> <li>▪ PFC free supply chain achieved for Tier 1 and Tier 2</li> </ul>	<p>Due: 2021</p> <p>ACHIEVED</p>

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
100% down used in all our product (including licensee and agents) Responsible Down Standard (RDS) certified	100% of down used in Deckers products RDS certified	<ul style="list-style-type: none"> <li>▪ 100% of down used in Deckers products RDS certified</li> </ul>	<p>Due: 2022</p> <p>ACHIEVED</p>
All cotton fiber will be sourced from farms that utilize sustainable crop growing practices or from recycled cotton within all material categories	Joined Better Cotton Initiative (BCI)	<ul style="list-style-type: none"> <li>▪ Do not source from Turkmenistan or Uzbekistan due to practice of forced labor</li> </ul>	<p>Due: 2025</p> <p>ON TRACK</p>
100% compliance with our Ethical Sourcing and Animal Welfare Policy	100% compliance in footwear leathers and sheepskin categories (note - increase demand for Koolaburra product led to a small percentage of factory-sourced materials sourced outside approved tanneries)	<ul style="list-style-type: none"> <li>▪ 100% compliance in footwear leathers and sheepskin categories</li> <li>▪ Some Licensees and Agents (used for non-footwear products) did not source a portion of their leathers from Leather Working Group certified tanneries - required per policy. Licensees and Agents provided with notice and we anticipate full compliance by FY21</li> </ul>	<p>Due: 2021</p> <p>ON TRACK</p>
Trace 85% of cattle hide and sheepskin back to processing facility within the leather and sheepskin material categories	Traced 98% of our hides/skins back to processing facility within the leather and sheepskin material categories	<ul style="list-style-type: none"> <li>▪ Traced 97.33% of our hides/skins back to processing facility within the leather and sheepskin material categories</li> <li>▪ 100% of sheepskin sourced via Leather Working Group certified tanneries within the sheepskin material category</li> </ul>	<p>Due: 2020</p> <p>ACHIEVED</p>
Trace 100% of all hides/skins back to the country of origin within the leather and sheepskin material categories	96.24% of our hides/skins traced back to country of origin within the leather and sheepskin material categories	<ul style="list-style-type: none"> <li>▪ 97.3% of hides/skins traced to country of origin within the leather and sheepskin material categories</li> </ul>	<p>Due: 2021</p> <p>ON TRACK</p>



WELCOME

# FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)



## MATERIALS

INCORPORATE MORE CERTIFIED RESPONSIBLE AND SUSTAINABLE MATERIALS IN OUR PRODUCTS (INCLUDING RECYCLED, RENEWABLE, REGENERATED, AND NATURAL), REDUCING OUR PRODUCT FOOTPRINT BY 50%.



UGG			
TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Eliminate virgin wool or ensure that virgin wool usage is Responsible Wool Certified Wool	UGG recognized on Textile Exchange Leader Board for use of responsible wool and down	98.31% of UGG wool (used in its footwear products) is repurposed and 1.69% is virgin wool, with a commitment to either eliminate its virgin wool usage in its footwear entirely or ensuring that its virgin wool is Responsible Wool Standard (RWS) certified by 2022	Due: 2022 ON TRACK
Replace 80% of all faux fur with plant based faux fur or recycled synthetic fibers within all material categories	N/A - Conceptualized in FY21	Developed first ever regenerated 100% plant based faux fur and scrim sourced from sustainable eucalyptus farms	Due: 2027 ON TRACK
70% of all internal or reinforcement materials are sourced from a nominated supplier	N/A - Conceptualized in FY21	Target set	Due: 2027 NEW
Increase use of recycled, repurposed, regenerated (plant based), renewable (bio based), and certified/preferred natural fibers by 35% among all material categories	Introduction of recycled synthetic fibers and Lyocell	Increase in recycled synthetic fibers and lyocell. Introduction of preferred natural fibers (hemp and jute)	Due: 2027 ON TRACK

UGG			
TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category	N/A - Conceptualized in FY21	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles	Due: 2021 ON TRACK
Reduce 35% of waste produced in the production of midsoles and outsoles	N/A - Conceptualized in FY21	Target set	Due: 2027 NEW
Reduce or maintain (+/- 2%) environmental impact per pair among all packaging materials	<ul style="list-style-type: none"> <li>Packaging LCA completed</li> <li>When comparing FY18 to FY19, UGG saw a decrease in packaging dunnage by 8.96%, decrease in GHG emissions by 8.09%, water usage reduction by 2.09%, Fossil Fuel reduction of 11.1% and eutrophication decreased by 12.63%</li> </ul>	<ul style="list-style-type: none"> <li>Packaging LCA completed</li> <li>When comparing FY19 to FY20, UGG saw a decrease in packaging dunnage by 9.02%, decrease in GHG emissions by 4.85%, water usage reduction by 26.48%, Fossil Fuel reduction of 14.22% and eutrophication decreased by 13.50%</li> </ul>	Due: 2025 ON TRACK



HOKA			
TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Increase use of recycled, repurposed, regenerated (plant based), renewable (bio based), and natural fibers by 30% among all fibers and 50% within textile category	Publicly committed to increase use of recycled polyester	In FY20, 29.57% of the polyester used by the HOKA brand was recycled polyester.	Due: 2025 ON TRACK
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category FY21	N/A - Conceptualized in FY21	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles	Due: 2021 ON TRACK
Reduce waste by 20% and divert 50% of waste produced in the production of midsoles and outsoles	N/A - Conceptualized in FY21	Target set	Due: 2027 NEW
Reduce or maintain (+/-2%) environmental impact per pair among all packaging materials	<ul style="list-style-type: none"> <li>▪ Packaging LCA completed</li> <li>▪ When comparing FY18 to FY19, HOKA saw a decrease in packaging dunnage (per pair) by 6.19%, decrease in GHG emissions by 5.16%, water usage reduction by 4.38%, Fossil Fuel reduction of 5.00% and eutrophication decreased by 4.73%</li> </ul>	<ul style="list-style-type: none"> <li>▪ Packaging LCA revised</li> <li>▪ When comparing FY19 to FY20, HOKA saw an increase in packaging dunnage (per pair) by 2.20%, increase in GHG emissions by 1.44%, water usage reduction by 4.27%, Fossil Fuel increase of 0.08% and eutrophication decreased by 1.06%</li> </ul>	Due: 2025 ON TRACK
Eliminate all plastic from our HOKA apparel packaging, this includes replacing or removing polybags, replacing or removing MicroPak sticker, and converting plastic tape to kraft tape	<ul style="list-style-type: none"> <li>▪ N/A - Conceptualized in FY21</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A - Conceptualized in FY21</li> </ul>	Due: 2024 NEW

Teva			
TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Utilize UNIFI REPREEVE rPET in all iconic straps	Teva recognized on Textile Exchange Leader Board for use of rPET	100% of Teva's iconic polyester straps are made from UNIFI REPREEVE rPET	Due: 2022 ACHIEVED
50% of all other (non-webbing) materials that use synthetic fibers within the closure, components, textiles and synthetics material categories will be replaced with recycled, renewable and/or natural versions	N/A - Conceptualized in FY21	Target set. Teva introduced more recycled materials within all material categories. Experimenting and testing reconstituted leather uppers	Due: 2027 NEW
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category	N/A - Conceptualized in FY21	Target set. Questionnaire deployed for lean manufacturing study for all midsoles and outsoles	Due: 2021 ON TRACK
Reduce 50% of waste produced in the production of midsoles and outsoles	N/A - Conceptualized in FY21	Target set	Due: 2027 NEW
Reduce or maintain (+/- 2%) environmental impact per pair among all packaging materials and remove all footwear polybags	<ul style="list-style-type: none"> <li>▪ Packaging LCA completed</li> <li>▪ When comparing FY18 to FY19, Teva saw a decrease in packaging dunnage (per pair) by 2.82%, decrease in GHG emissions by 2.87%, water usage increase by 0.22%, Fossil Fuel reduction of 4.21% and eutrophication decreased by 3.99%</li> <li>▪ Polybag removal initial trials initiated</li> </ul>	<ul style="list-style-type: none"> <li>▪ Packaging LCA revised</li> <li>▪ When comparing FY19 to FY20, Teva saw a decrease in packaging dunnage (per pair) by 24.64%, decrease in GHG emissions by 24.79%, water usage reduction by 26.48%, Fossil Fuel reduction of 26.82% and eutrophication decreased by 26.17%</li> <li>▪ Third-party testing performed on ship in own container packaging, ready for deployment</li> </ul>	Due: 2025 ON TRACK





sanuk			
TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Introduce more responsible cotton sourced from farms that utilize sustainable crop growing practices or from recycled cotton	Signed Turkmenistan and Uzbekistan Cotton Pledges, Committed to the sustainable Cotton Challenge	No cotton sourced from Turkmenistan or Uzbekistan due to practice of forced labor. 6.89% of cotton sourced for Sanuk brand is BCI certified	Due: 2027 ON TRACK
Increase use of recycled, repurposed, regenerated (plant based), renewable (bio based), and certified/preferred natural fibers by 60% among all material categories	Introduction to new preferred fibers	Increase in preferred fibers, such as hemp, linen, jute, recycled polyester and recycled cotton. Incorporated recycled content and natural substrates within their midsoles and outsoles. Experimenting and testing with more recycled materials	Due: 2027 ON TRACK
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category	N/A - Conceptualized in FY20	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles	Due: 2021 ON TRACK
Reduce 30% of waste produced in the production of midsoles and outsoles	N/A - Conceptualized in FY20	Target set	Due: 2027 NEW
Reduce or maintain (+/- 2%) environmental impact per pair among all packaging materials and remove all footwear polybags	<ul style="list-style-type: none"> <li>Packaging LCA completed</li> <li>When comparing FY18 to FY19, Sanuk saw a decrease in packaging dunnage (per pair) by 6.67%, decrease in GHG emissions by 9.42%, water usage decrease by 13.62%, Fossil Fuel reduction of 4.21% and eutrophication increased by 5.12%</li> </ul>	<ul style="list-style-type: none"> <li>Packaging LCA revised</li> <li>When comparing FY19 to FY20, Sanuk saw a decrease in packaging dunnage (per pair) by 10.71%, decrease in GHG emissions by 6.49%, water usage reduction by 27.48%, Fossil Fuel reduction of 18.39% and eutrophication decreased by 20.71%</li> <li>Polybag removal concept conceptualized in FY20. Experimenting and testing ship in own container packaging to remove polybags and plastic hangers from Sanuk's product line. Initial development of paper hangers</li> </ul>	Due: 2025
			NEW

WELCOME

# FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)



WASTE

SUSTAINABLY REDUCE WASTE GENERATED AT OUR FACILITIES AND PARTNER FACILITIES THROUGH REDUCTION, RECYCLING, AND REUSE.

## WASTE GENERATION

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Reduce waste generation at our headquarters among our employees and brand teams	Paper cups eliminated and compostable utensils implemented at corporate headquarters	Eliminated most single use plastic at corporate office locations and retail	Due: 2027 ON TRACK
Benchmark theoretical waste produced at footwear and packaging level by measuring total input and subtracting our finished good weight	N/A - Conceptualized in FY21	Target set	Due: 2022 TARGET SET
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category (Tier 2)	N/A - Conceptualized in FY21	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles regarding loss in production and defect rate	Due: 2021 ON TRACK
Set midsole and outsole waste reduction targets for each brand by FY20 (exempt Koolaburra)	N/A - Conceptualized in FY21	Initial targets set reducing midsole and outsole waste for each brand	Due: 2027 ON TRACK

### WASTE GENERATION (CONTINUED)

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Increase the number of 'Monitored' Tier 1 and Tier 2 partners YOY and record waste produced for each partner	Monitored 13 Tier 1 supply chain partners waste generation and 12 Tier 2 suppliers, 6 Bottom unit and 6 tannery facilities waste generation	Increased monitored Tier 1 facilities to 14 supply chain partners and saw a 7.72% waste reduction per pair. Increase monitored Tier 2 suppliers to 17 (8 bottom unit and 9 tannery facilities). The bottom unit facilities saw a 61.73% reduction in waste and the tanneries saw a 29.43% reduction in waste	Due: 2025  ON TRACK, but desire to speed up efforts in this sector of our supply chain
Complete Packaging materials dunnage study and once established reduce dunnage by pair	Completed Packaging Dunnage Study. Below shows FY18 v. FY19 reduction in dunnage per pair: <ul style="list-style-type: none"> <li>UGG: 8.96%</li> <li>HOKA: 6.19%</li> <li>Teva: 2.82%</li> <li>Sanuk: 6.67%</li> </ul>	Completed Packaging Dunnage Study. Below shows FY19 v. FY20 reduction in dunnage per pair: <ul style="list-style-type: none"> <li>UGG: 9.02%</li> <li>HOKA: -2.20% (increase in dunnage)</li> <li>Teva: 24.64%</li> <li>Sanuk: 10.71%</li> </ul>	Due: 2021  ON TRACK
Complete Packaging Loss in Production Study for all substrates, paper and plastic	When comparing FY18 v. FY19, Deckers saw a 6.84% reduction in Loss in Production (LOP) packaging waste. Specifically, by brand each saw reductions of: <ul style="list-style-type: none"> <li>UGG: 8.4%</li> <li>HOKA: 5.89%</li> <li>Teva: 11.81%</li> <li>Sanuk: 13.81%</li> </ul>	When comparing FY19 v. FY20, Deckers saw a 16.3% reduction in Loss in Production (LOP) packaging waste. Specifically, by brand each saw reductions of: <ul style="list-style-type: none"> <li>UGG: 24.15%</li> <li>HOKA: -3.43% (increase in LOP waste)</li> <li>Teva: 31.34%</li> <li>Sanuk: 43.54%</li> </ul>	Due: 2021  ON TRACK



### WASTE DIVERSION

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Moreno Valley Distribution Center zero-waste facility by 2023	95% of waste was recycled	96% of waste was recycled	Due: 2023  ON TRACK
Increase the number of monitored Tier 1 and Tier 2 partners YOY and set waste diversion targets	Monitored 13 Tier 1 supply chain partners waste and set initial waste diversion rate targets of 30%. Monitored 12 Tier 2 suppliers (6 Bottom unit and 6 tannery facilities) to better understand where and when to set waste diversion targets	Monitored 14 Tier 1 supply chain partners waste and saw a 27.44% waste diversion rate with a goal to increase this diversion rate by 10% in FY21	Due: 2027  ON TRACK
Charter a more in-depth Waste Diversion Program (define measure analyze improve control 'DMAIC') for selected Tier 1 and Tier 2 (including benchmarking types of waste such as foams and textiles)	N/A - Conceptualized in FY21	Target set	Due: 2027  NEW
Create a Design of Experiments (DOE) plan to divert our waste from Tier 1 partners to be upcycled (either within Tier 2 partners or new external partners)	N/A - Conceptualized in FY21	Target set	Due: 2027  NEW
Complete Packaging materials waste diversion study among packaging suppliers	<ul style="list-style-type: none"> <li>Packaging Waste Diversion Study Completed. In FY19, 98.36% of all packaging substrate waste produced by our suppliers were either post-industrial recycled or close loop recycled. Leaving only 1.64% to landfill</li> <li>98.69% of paper waste was either post-industrial recycled or close loop recycled. Leaving only 1.31% of paper waste to landfill</li> <li>86.04% of plastic packaging waste was either post-industrial recycled or close loop recycled.</li> <li>Specifically, 77.32% of our plastic packaging waste was closed loop recycled. Leaving only 13.96% of plastic waste to landfill</li> </ul>	<ul style="list-style-type: none"> <li>Packaging Waste Diversion Study Completed. In FY20, 98.58% of all packaging substrate waste produced by our suppliers were either post-industrial recycled or close loop recycled. Leaving only 1.42% to landfill</li> <li>98.80% of paper waste was either post-industrial recycled or close loop recycled. Leaving only 1.20% of paper waste to landfill</li> <li>92.22% of plastic packaging waste was either post-industrial recycled or close loop recycled. Specifically, 88.67% of our plastic packaging waste was closed loop recycled. Leaving only 7.78% of plastic waste to landfill</li> </ul>	Due: 2025  ON TRACK



WELCOME

# FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)



## WATER

REDUCE WATER USAGE AND IMPROVE WATER QUALITY THROUGHOUT OUR OPERATIONS AND THE COMMUNITIES IN WHICH WE OPERATE.

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Increase the number of monitored Tier 1 and Tier 2 partners YOY and increase recycled water usage	134,105,000 liters of water recycled	165,328,000 liters of water recycled	DUE: 2027 ON TRACK, but desire to speed up efforts in this sector of our supply chain
Conduct study on water practices for all Tier 1 and top Tier 2 suppliers and ensure these partners are applying industry best practices on water treatment and usage	5.4% reduction in water usage at Tier 1 level	4% reduction in water usage at the Tier 1 level. Tier 2 baseline set and target to reduce water usage at Tier 2 level by FY22 adopted	DUE: 2022 ON TRACK, but desire to speed up efforts in this sector of our supply chain
Ensure 100% of our leathers/hides sourced from Leather Working Group Certified Tanneries	97% of leathers/hides from Leather Working Group Certified Tanneries that support responsible energy usage	97.33% of leathers/hides from Leather Working Group Certified Tanneries that support responsible energy usage	DUE: 2027 ON TRACK
Sanuk to continue utilizing charitable contribution spend by supporting water related conservation efforts	Sanuk in support of Surfrider Foundation	Sanuk in support of Surfrider Foundation and Fish Reef Project	DUE: 2027 ON TRACK
Host an annual beach cleanup in one of the communities we operate in	Target set and communicated	APAC team hosted a beach cleanup in Vietnam during our supplier summit	DUE: Ongoing ACHIEVED

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Ensure best in class water mitigation efforts at headquarters location	<ul style="list-style-type: none"> <li>Low flow fixtures that save 350,000 gallons of water each year</li> <li>Filmed video series highlighting HQ and DC waste mitigation efforts</li> <li>Drought tolerant landscaping and use of culvert system where rainfall is collected and put into the wetland restoration area that surrounds our campus</li> </ul>	No Change	DUE: 2020 ACHIEVED
Baseline product materials water usage, freshwater ecotoxicity and freshwater eutrophication produced at the finished material creation level and set reduction targets	Engaged third-party LCA tool to assist in establishing baseline	Deployed material LCA to establish baseline for water usage, freshwater ecotoxicity and freshwater eutrophication produced at the finished material creation level. Targets to be established in FY21	DUE: 2021 ON TRACK
Reduce or maintain (+/- 2%) packaging water usage and freshwater eutrophication produced per pair	<ul style="list-style-type: none"> <li>Packaging LCA completed.</li> <li>Completed Packaging Water Usage Study. Below shows FY18 v. FY19 reduction in water usage per pair:                             <ul style="list-style-type: none"> <li>UGG: 2.09%</li> <li>HOKA: 4.38%</li> <li>Teva: -0.22% (increase in water usage)</li> <li>Sanuk: 4.38%</li> </ul> </li> <li>Completed Packaging Freshwater Eutrophication Study. Below shows FY18 v. FY19 reduction in freshwater eutrophication per pair:                             <ul style="list-style-type: none"> <li>UGG: 12.63%</li> <li>HOKA: 4.73%</li> <li>Teva: 3.99%</li> <li>Sanuk: 5.12% (increase in eutrophication)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Packaging LCA completed.</li> <li>Completed Packaging Water Usage Study. Below shows FY19 v. FY20 reduction in water usage per pair:                             <ul style="list-style-type: none"> <li>UGG: 26.48%</li> <li>HOKA: 4.27%</li> <li>Teva: 26.68%</li> <li>Sanuk: 27.48%</li> </ul> </li> <li>Completed Packaging Freshwater Eutrophication Study. Below shows FY19 v. FY20 reduction in freshwater eutrophication per pair:                             <ul style="list-style-type: none"> <li>UGG: 13.50%</li> <li>HOKA: 1.06%</li> <li>Teva: 26.17%</li> <li>Sanuk: 20.71%</li> </ul> </li> </ul>	DUE: 2021 ON TRACK



WELCOME

# FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)

**4**  
QUALITY  
EDUCATION

**5**  
GENDER  
EQUALITY

**10**  
REDUCED  
INEQUALITIES

## GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION

PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL.

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Gender parity in leadership positions and our Board of Directors	<ul style="list-style-type: none"> <li>Executive Leadership Team: 25% women, 75% men</li> <li>Board: 30% female, 70% male</li> <li>Obtained EDGE Certification, which is the leading global assessment methodology and business certification standard for gender equality</li> </ul>	<ul style="list-style-type: none"> <li>Executive Leadership Team: 25% women, 75% men</li> <li>Board: 33% female, 66% male</li> <li>154 directors and above: 67 female director and above (43.5%) and 87 male director and above (56.5%)</li> </ul>	<p>DUE: 2030</p> <p>ON TRACK</p>
25% representation of BIPOC in the U.S. at Director and above levels	N/A	Target adopted	<p>DUE: 2027</p> <p>NEW</p>
100% of Executive Leadership Team has inclusion and diversity related goals	N/A	Target adopted	<p>DUE: 2021</p> <p>NEW</p>
100% of Director level and above hires interviewed by a panel that includes underrepresented groups (gender, BIPOC)	N/A	Target adopted	<p>DUE: 2021</p> <p>NEW</p>

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Ensure an inclusive and diverse workplace and promote diverse communities	<ul style="list-style-type: none"> <li>Launched employee-led VOICES group to empower inclusion and dialogue</li> <li>CEO commitment to Outdoor Industry Diversity Pledge</li> <li>Trained majority of employees on inclusion and implicit bias</li> </ul>	<ul style="list-style-type: none"> <li>VOICES employee led group continued inclusion dialogue</li> <li>Third annual Women's Leadership Summit (postponed due to COVID-19)</li> <li>Appointed a Director of Equity, Inclusion and Diversity to ensure continued success of FY21 EID initiatives and to create a global strategic vision</li> <li>Inclusive signs added at our corporate headquarters campus</li> <li>Three-part mandatory course on unconscious bias finalized for deployment in FY21.</li> <li>HOKA supported organizations focused on building a more inclusive outdoor community, one that represents BIPOC and empowers women through fitness</li> <li>Teva and UGG brands pride package benefiting LGBTQ+ community</li> <li>UGG, HOKA, Teva, Sanuk, and Koolaburra by UGG are committed to representing 60% BIPOC, LGBTQ+, and diversity of body types and abilities in their marketing campaigns</li> </ul>	<p>DUE: 2022</p> <p>NEW</p>
UGG: Expand HERproject partnership to 2 activations per year	<ul style="list-style-type: none"> <li>Additional 5 factories received HERproject training</li> <li>Filmed video highlighting the impact of HERproject training on the women working in our supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Additional 7 supply chain partners received HERproject training for a total of 20 partners trained (14 Tier 1 footwear factories, 2 Tier 1 lifestyle factories, and 4 Tier 2 suppliers)</li> </ul>	<p>DUE: 2027</p> <p>ON TRACK</p>
Empower 100,000 women	<ul style="list-style-type: none"> <li>26,186 women empowered through HERproject partnership since inception of partnership</li> <li>Held Women's Leadership Summit at corporate headquarters</li> </ul>	<ul style="list-style-type: none"> <li>33,013 women empowered through HERproject since inception of partnership</li> <li>Annual Women's Leadership Summit at corporate headquarters location postponed due to COVID-19 pandemic</li> <li>Held equality summit in EMEA office</li> </ul>	<p>DUE: 2027</p> <p>ON TRACK</p>

WELCOME

# FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)

**3** GOOD HEALTH AND WELL-BEING

**6** CLEAN WATER AND SANITATION

## CHEMISTRY

REDUCE OR ELIMINATE HAZARDOUS CHEMICALS THROUGHOUT OUR OPERATIONS.

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Reduce Volatile Organic Compounds to 20g/pair or less	VOCs reduced to under 20g/pair at the assembly level	Continued reduction in VOCs. All brands under 18g/pair at the assembly level	DUE: 2020 ACHIEVED
Eliminate PFC from our supply chain (Tier 1 and Tier 2)	On track to eliminate PFCs from our supply chain (Tier 1 and Tier 2) by 2020	PFC free supply chain achieved (Tier 1 and Tier 2)	DUE: 2021 ACHIEVED
Eliminate PVC from our supply chain	Target set	Working towards elimination	DUE: 2027 ON TRACK
Eliminate/reduce potentially harmful substances from our supply chain	Eliminated PFOA and PFOS, restricted phthalates, dimethyl fumarate, regulated nitrosamines	<ul style="list-style-type: none"> <li>▪ Deckers materials free of banned and/or restricted Azo dyes</li> <li>▪ Blue 106 replaced with an environmentally friendly dye that share the same color properties</li> </ul>	DUE: 2027 WORK IN PROGRESS

**13** CLIMATE ACTION

**7** AFFORDABLE AND CLEAN ENERGY

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

## CLIMATE AND CLEAN ENERGY

REDUCE ENERGY CONSUMPTION AND CARBON EMISSIONS THROUGHOUT OUR OPERATIONS.

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Reduce employee travel by 50%	N/A - Conceptualized in FY20	Global employees air travel emitted 11,641,280 pounds or 5,820.64 tons of CO2	DUE: 2025 ON TRACK
Encourage employee utilization of alternative commute program to save over 50 tons of CO2 annually	Employees recorded and saved 71.07 tons of CO2 through alternative commute strategies	Employees recorded and saved 80.74 tons of CO2 through alternative commute strategies	DUE: 2027 ON TRACK
Baseline product materials energy and greenhouse gas emissions and set reduction targets	Engaged a third-party LCA platform	Deployed material LCA to establish baseline for energy usage and greenhouse gas emissions at finished material creation level: targets to be set FY21	DUE: 2021 ON TRACK
Maintain Packaging energy and greenhouse gas emission per pair	<ul style="list-style-type: none"> <li>▪ Packaging LCA completed</li> <li>▪ Completed Packaging Greenhouse Gas Emissions Study. Below shows FY18 v. FY19 reduction in greenhouse gas emissions per pair:                             <ul style="list-style-type: none"> <li>▪ UGG: 8.29%</li> <li>▪ HOKA: 5.16%</li> <li>▪ Teva: 2.87%</li> <li>▪ Sanuk: 9.42%</li> </ul> </li> <li>▪ Completed Packaging Energy Usage Study. Below shows FY18 v. FY19 reduction in energy per pair:                             <ul style="list-style-type: none"> <li>▪ UGG: 11.10%</li> <li>▪ HOKA: 5.00%</li> <li>▪ Teva: 4.21%</li> <li>▪ Sanuk: 3.99%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Packaging LCA completed</li> <li>▪ Completed Packaging Greenhouse Gas Emissions Study. Below shows FY19 v. FY20 reduction in greenhouse gas emissions per pair:                             <ul style="list-style-type: none"> <li>▪ UGG: 4.85%</li> <li>▪ HOKA: -1.44% (increase in GHG emissions)</li> <li>▪ Teva: 24.79%</li> <li>▪ Sanuk: 6.49%</li> </ul> </li> <li>▪ Completed Packaging Energy Usage Study. Below shows FY19 v. FY20 reduction in energy per pair:                             <ul style="list-style-type: none"> <li>▪ UGG: 14.22%</li> <li>▪ HOKA: -0.08% (increase in energy use)</li> <li>▪ Teva: 26.82%</li> <li>▪ Sanuk: 18.39%</li> </ul> </li> </ul>	DUE: 2022 ON TRACK

WELCOME

# FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
100% renewable energy in owned and operated facilities	<ul style="list-style-type: none"> <li>Continue to increase our year-over-year solar usage at our U.S. locations</li> <li>Ongoing monitoring of energy usage at our retail stores, U.S. headquarter, and main U.S. distribution center</li> </ul>	<ul style="list-style-type: none"> <li>Corporate HQ LED conversion completed: 100% LED lighting installed</li> <li>Hong Kong Office in 90% percentile for energy efficiency</li> <li>Continued to track usage among US retail stores and US company office locations generally remaining consistent</li> </ul>	<p>DUE: 2021</p> <p>ON TRACK, but desire to speed up efforts in this area</p>
Increase awareness on Climate related issues	<ul style="list-style-type: none"> <li>Environmental Policy adopted</li> <li>Filmed video series highlighting HQ/DC sustainability efforts</li> </ul>	Earth Day employee contest conceptualized in FY20 with deployment in FY21 to encourage employees to live in a more environmentally mindful way	<p>DUE: 2027</p> <p>WORK IN PROGRESS</p>
Of monitored Tier 1 facilities, reduce non-renewable energy usage by 30%	Monitored 13 Tier 1 supply chain partners energy consumption	Monitored 14 of Tier 1 footwear factories and reduced their energy consumption by 30%. Goal is to maintain this reduction	<p>DUE: 2027</p> <p>ON TRACK, but desire to speed up efforts in this sector of our supply chain</p>
Of monitored Tier 2 suppliers, reduce non-renewable energy usage by 5%	Monitored 12 Tier 2 suppliers, 6 Bottom unit and 6 tannery facilities energy consumption	Monitored 17 Tier 2 suppliers. Of the 8 Bottom unit facilities and tannery facilities energy consumption and set reduction target of 5%	<p>DUE: 2027</p> <p>ON TRACK, but desire to speed up efforts in this sector of our supply chain</p>
Set science-based climate change goals	N/A - Conceptualized in FY21	Target set	<p>DUE: 2025</p> <p>NEW</p>

WELCOME

# FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)



## HUMAN RIGHTS

POSITIVELY IMPACT THE COMMUNITIES WHERE WE OPERATE IN, INCLUDING ASSURING INDUSTRY LEADING HUMAN RIGHTS PRACTICES WITHIN OUR SUPPLY CHAIN.

TARGETS	FY19 ACHIEVEMENTS	FY20 ACHIEVEMENTS	STATUS
Increase employee volunteer efforts by 20% by 2023 and 50% by 2027	Employees volunteered 3,106 hours	<ul style="list-style-type: none"> <li>Employees volunteered 1,904 hours</li> <li>Implemented new employee volunteer hours tracking system</li> <li>Appointed Director, Deckers Gives</li> </ul>	<p>DUE: 2023/2027</p> <p>NEED TO SPEED UP EFFORTS</p>
Donate at least \$1,000,000 annually to organizations supporting at-risk youth, community, diversity/inclusion, education, environment, and family and children	Donated over 1.3 million dollars to various organizations supporting our communities	Donated \$1,859,658 to various organizations supporting at-risk youth, community, diversity/inclusion, education, environment, and family and children	<p>DUE: 2027</p> <p>ON TRACK</p>
Ensure that every Deckers employee has the opportunity to contribute to our local communities	All employees encouraged to volunteer - we provide up to 24 hours of paid volunteer time	<ul style="list-style-type: none"> <li>Employees who volunteer 100 hours per calendar year receive a \$1,000 donation to a charity of their choice</li> <li>Employees provided up to 24 hours of paid volunteer time</li> </ul>	<p>DUE: 2021</p> <p>ON TRACK</p>
Recognize human rights within our supply chain by ensuring at least 90% of our Tier 1 and Tier 2 supply chain partners receive Champion, Excellent or Solid audit rankings	<ul style="list-style-type: none"> <li>Robust ethical supply chain audits based on International Labor Organization standards, performance scorecards, and ongoing ESC audits</li> <li>Filmed video series highlighting ethical supply chain and HERproject efforts</li> </ul>	<ul style="list-style-type: none"> <li>100% of our Tier 1 partners are audited on an annual basis</li> <li>We engaged (audits, training, and environmental projects) the majority of our Tier 2 suppliers. Tier 2 partners represent 55% of our total materials spend</li> <li>Anonymous hotline provided to supply chain partners for reporting purposes</li> </ul>	<p>DUE: 2027</p> <p>ON TRACK</p>
Ensure our Lost Time Injury Rate is 0.26 and our Total Recordable Incident rate is 0.40	Ensure our factories are healthy and safe for workers by maintaining a Lost Time injury rate of at least 0.26 and a Total Recordable Incident Rate of at least 0.40	FY20 Lost Time Injury Rate was 0.28 and Total Recordable Incident Rate was 0.40	<p>DUE: 2021</p> <p>ON TRACK</p>



WELCOME

# PROGRAM GOVERNANCE

Our Sustainability and Compliance Officer is responsible for the day-to-day management of our Corporate Responsibility and Sustainability program. The Corporate Governance Committee of our Board of Directors, which is comprised of three independent directors, oversees our Corporate Responsibility and Sustainability efforts. Deckers' Environmental Social Governance (ESG) program has Executive Leadership Team and Board level oversight, and is driven by focused committees that meet quarterly:

**Risk, Sustainability and Compliance Advisory Committee:** This Committee includes all members of our Executive Leadership Team, along with key stakeholders throughout the organization. The Committee evaluates organizational compliance risks and discusses opportunities for both sustainability and compliance.

**Environmental Sustainability – Ethical Sourcing Committee:** This Committee includes members of our ethical sourcing, facilities, distribution center, brands, innovation, and materials teams. The Committee drives sustainable materials sourcing, ethical supply chain efforts, environmental sustainability, energy reduction, water and waste mitigation efforts, and materials traceability efforts.

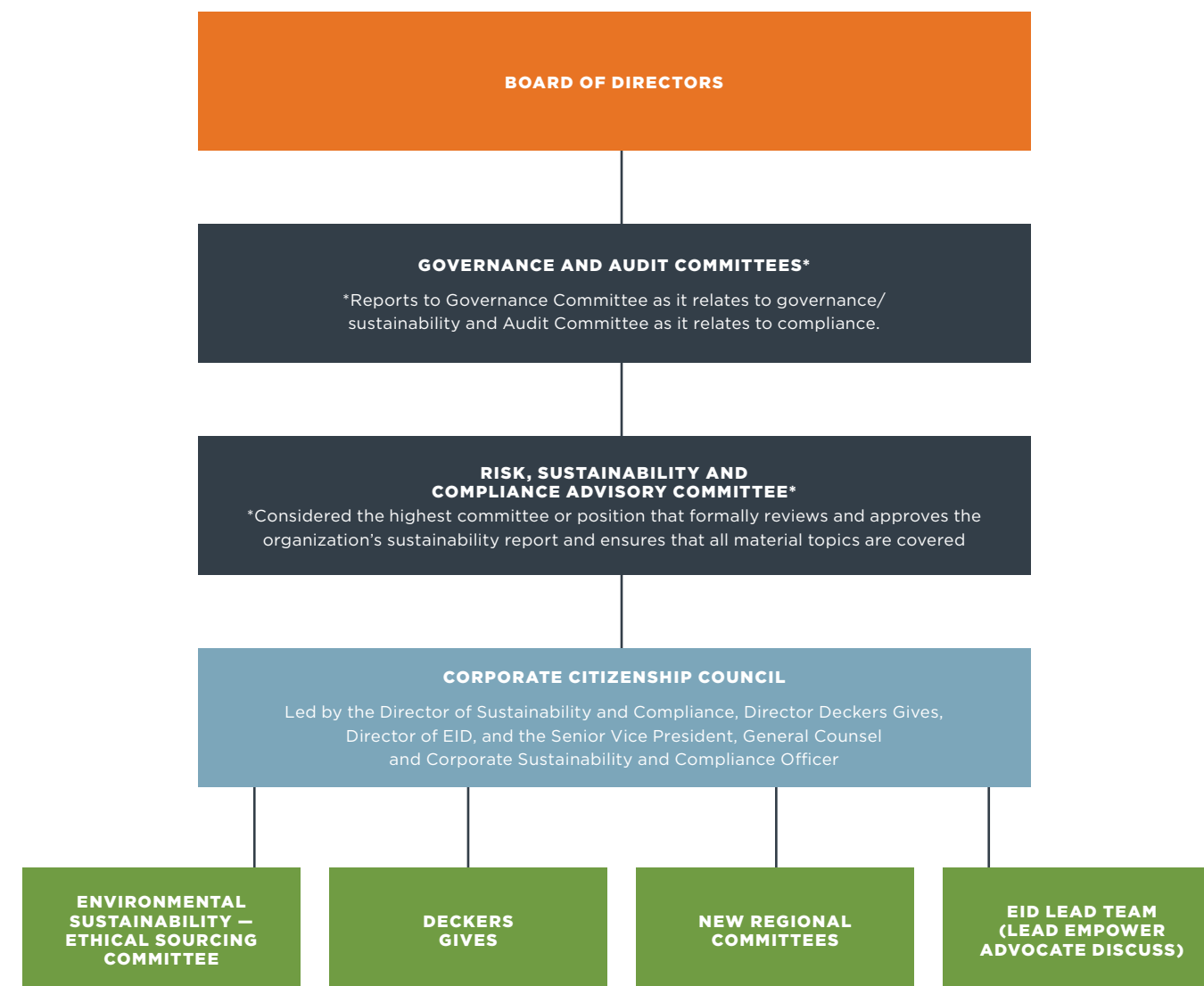
**Deckers Gives Committee:** This Committee includes members of our giving, sustainability and communications teams. The Committee tracks brand and corporate giving, helps our brands focus charitable spend, monitors our employee volunteer program, and drives retail store giving.

**Regional Committees:** We have two regional Committees that were created in FY20: one in APAC and one in EMEA. These Committees help to drive facilities related sustainability efforts within region and initiate regional volunteer and giving efforts.

**EID LEAD Team (Lead Empower Advocate Discuss):** This team includes a diverse group of people from various stakeholders throughout the organization. The Team works as an advisory body to our Director of EID on integration of EID into the global organization. It also serves as a forum to share departmental updates, EID activities and initiatives and helps leverage organizational resources. It provides opportunities for direct employee engagement in Deckers EID activities.

Our Sustainability and Compliance program aligns our internal teams with our SDGs and establishes policies to encourage our partners and suppliers to employ sustainable business practices.

We annually assess risks related to ESG issues as part of our overall enterprise risk management approach. In addition, our internal audit team provides periodic targeted reviews of our ESG-related policies and procedures to the Audit Committee.



## WELCOME

# STAKEHOLDER ENGAGEMENT

We believe in the power of engagement. We actively work with various stakeholder groups in the creation and implementation of our corporate responsibility program and policies. Our stakeholders include third-party non-governmental organizations (NGOs), employees, suppliers, industry groups, communities and governments. While we have not conducted a formal materiality assessment, we have worked with a wide range of external stakeholders on our social program including, Better Work, Social & Labor Convergence and Business for Social Responsibility. We collaborated with animal welfare stakeholders on the adoption of our Ethical Sourcing and Animal Welfare Policy. We work closely with the Outdoor Industry Association's Sustainability Working Group, Trayak's Compass (our LCA tool), and the Leather Working Group on various environmental sustainability initiatives. We value stakeholder engagement and we look forward to continuing to expand our stakeholder groups, in FY21, to include expert advisors in carbon accounting and regenerative farming practices.

Onward, Together,  
Towards Better.

## WELCOME

# COMPANY VALUES

**Come as you are:** We believe that the company you build is defined by the company you keep. We believe that a diverse, inclusive culture drives creativity and success. We strive to create a workplace that values all people, where we embrace differences and our employees feel empowered to bring their full, authentic selves to work. Because the more perspectives we share, the better we can be.

**Go together:** We believe in the power of the independent spirit, united for a common goal. When we bring together our unique talents in service of our shared ambitions, we can accomplish the impossible. We are open and honest with each other and respect the feedback we receive. We care for each other, our consumers, our communities, and our planet.

**Be curious:** We face each day ready to learn, in search of bold and disruptive ideas. We seek out fresh experiences, new perspectives, and the unexpected opportunities they create. We apply this creatively, relentlessly pursuing purposeful innovation that moves our brands, and our industry, forward.

**Commit to create:** We are entrepreneurs at our core, transforming our ideas into reality. We bring them to life by working together and committing to action. We are relentless in exceeding consumer expectations with creative products, ideas and solutions. We hold ourselves and each other accountable in our efforts to own our present, while creating our future.

**Focus forward:** Prioritize progress, not perfection. We advocate for positive change, innovate with purpose, and work to have minimal impact on the environment. We act with integrity and humility, believing that respect for each other and our communities drives sustainable business.

WELCOME

# INTEGRITY FIRST

## EMPLOYEE TRAINING

We invest in the ongoing learning of our employees by providing them with valuable training to help navigate challenging situations. Globally, all employees are trained on a variety of topics including:

- Code of Ethics
- Conflicts of Interest: Employees are trained on conflicts of interest and our Compliance Officer maintains list of potential conflicts of interests (e.g. related persons working at Deckers) and reports to Audit Committee as appropriate.
- Gifts and Entertainment
- Anti-Corruption
- Harassment & Discrimination
- Information Security
- Regulation Fair Disclosure (including insider trading)
- Health Insurance Portability and Accountability Act (HIPAA)

In addition to the above mandatory trainings, we also offer a wide array of optional courses—from technology to management—to help further the professional skills of our employees.

## POLICIES

Deckers has policies in place to help our employees perform their jobs with integrity. These policies also help us to operate our business in the most socially conscious and environmentally friendly way. Many of our corporate policies are public and can be found on our [WEBSITE](#). These include the following:

- Code of Ethics (including our zero-tolerance policy on harassment or discrimination)
- Anti-Corruption
- Ethical Supply Chain Supplier Code of Conduct
- Environmental Policy
- Ethical Sourcing and Animal Welfare Policy
- Conflict Minerals Policy
- Restricted Substances
- Paper and Forest Procurement Policy

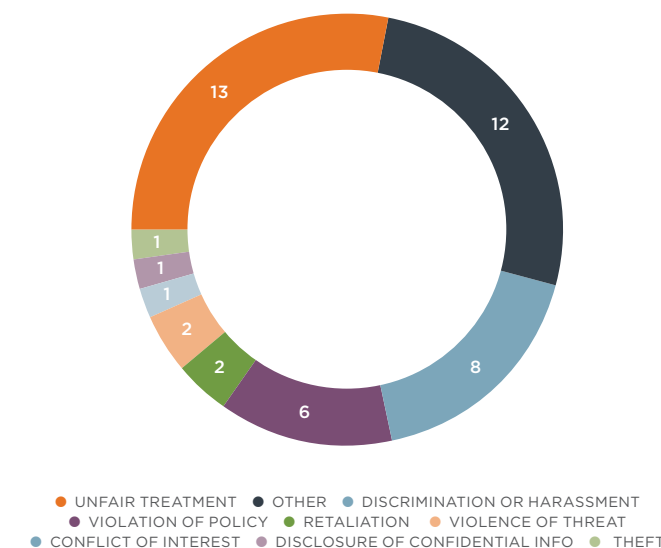
## HOTLINE METRICS

We offer a 24-7 anonymous hotline to all Deckers employees globally (available in local language) and, in FY20, have extended the hotline accessibility to factory workers so they too can voice concerns. We take all allegations seriously and ensure that we fairly and thoroughly investigate each report we receive through the hotline.

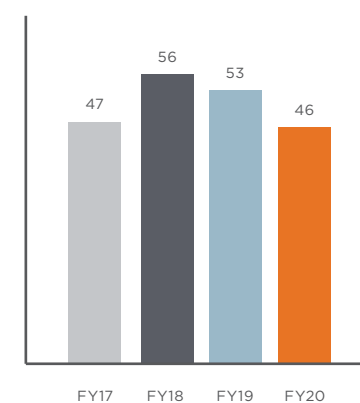
Monitoring hotline calls allows us to identify trends, see where things are broken, and allocate more training or resources in those areas. Approximately 70% of the calls we receive each year are retail related and initiated by one of our retail store team members. We believe this is comparable to other peers in the retail industry.

Because we believe in transparency, we are publishing the number of hotline calls received from FY17-FY20 as well as a summary of FY20 calls by issue type and tier below.

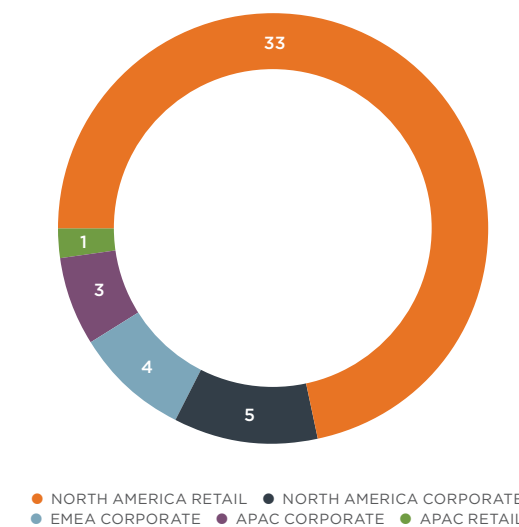
FY20 HOTLINE CALLS BY ISSUE TYPE



FY17 - FY20 HOTLINE CALLS



FY20 HOTLINE CALLS BY TIER



**GENDER EQUALITY,  
REDUCED  
INEQUALITIES,  
AND QUALITY  
EDUCATION**

---





GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION

# PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL

4 QUALITY EDUCATION

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

**PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL.**

TARGETS	STATUS
Gender parity in leadership positions and our Board of Directors	<ul style="list-style-type: none"> <li>Executive Leadership Team: 25% women, 75% men</li> <li>Board: 33% female, 66% male</li> <li>154 directors and above: 67 (43.5%) female, 87 (56.5%) male</li> </ul>
25% representation of BIPOC in the U.S. at Director and above levels	<ul style="list-style-type: none"> <li>Target adopted</li> </ul>
100% of Executive Leadership Team has inclusion and diversity related goals	<ul style="list-style-type: none"> <li>Target adopted</li> </ul>
100% of Director level and above hires interviewed by a panel that includes underrepresented groups (gender, BIPOC)	<ul style="list-style-type: none"> <li>Target adopted</li> </ul>
Ensure an inclusive and diverse workplace and promote diverse communities	<ul style="list-style-type: none"> <li>Create framework for launch of Employee Resource Groups</li> <li>Third annual Women's Leadership Summit (postponed due to COVID-19)</li> <li>Appointed a Director of Equity, Inclusion and Diversity to ensure continued success of FY21 EID initiatives and to create a global strategic vision</li> <li>Inclusive signs added at our corporate headquarters campus</li> <li>Three part mandatory course on unconscious bias deployment FY21</li> <li>HOKA supported organizations focused on building a more inclusive outdoor community, one that represents BIPOC and empowers women through fitness</li> <li>Teva and UGG brands pride package benefiting LGBTQ+ community</li> <li>UGG, HOKA, Teva, Sanuk, and Koolaburra by UGG are committed to representing 60% BIPOC, LGBTQ+, and diversity of body types and abilities in their marketing campaigns</li> </ul>
UGG: Expand HERproject partnership to 2 activations per year	<ul style="list-style-type: none"> <li>Additional 7 supply chain partners received HERproject training for a total of 20 partners trained (14 Tier 1 footwear factories, 2 Tier 1 lifestyle factories, and 4 Tier 2 suppliers)</li> </ul>
Empower 100,000 women	<ul style="list-style-type: none"> <li>33,013 women empowered through HERproject since inception of partnership</li> <li>Annual Women's Leadership Summit at corporate headquarters location postponed due to COVID-19 pandemic</li> <li>Held equality summit in EMEA office</li> </ul>



**GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION**

# PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL (CONTINUED)

## OUR APPROACH

At Deckers, we believe that an equitable, inclusive, and diverse culture drives creativity and success. We all have different backgrounds, professional skills and perspectives that have uniquely shaped us. It is precisely those differences, those unique experiences that drive innovation and create the space for big ideas. We value our different perspectives and are creating an environment where each of our employees can come as they are and are free to be their full, authentic selves every day.

We continue to promote equity, inclusion, and diversity throughout the organization and to that end have appointed our first Director of Equity, Inclusion, and Diversity (EID), as well as a Manager of EID, and have engaged with outside consultants who are providing strategic guidance. We also anticipate implementing a comprehensive, global strategy for equity, inclusion and diversity and are deploying mandatory anti-racism and implicit bias training, as well as creating a network of Employee Resource Groups and establishing a mentorship program. Our executive leadership team will also undergo an inclusive leadership training program.

Across the organization, we also established the LEAD Team (Lead Empower Advocate Discuss) which is comprised of a cross-functional, cross-regional group of employees who serve as an advisory board to our newly appointed Director of Equity, Inclusion and Diversity. We have also created subcommittees of the LEAD Team that are comprised of employee ambassadors who will be involved in our equity, inclusion and diversity related initiatives. We also have a regional EID group in EMEA which is comprised of employee volunteers. Additionally, we have created an internal site for EID at Deckers which serves as an interactive and educational resource for employees to engage with EID-related content.

We look forward to engaging our employees in helping drive progress towards creating a more equitable, inclusive and diverse organization in FY21 and beyond.

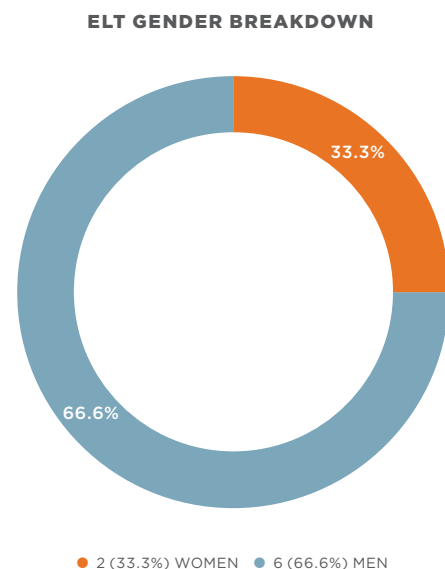
## OUR PEOPLE

### GLOBAL WORKFORCE

Deckers has a total of 3,556 global employees (excluding seasonal retail store associates): 2,280 of our global employee population (64.1%) are female, 1,265 of our global employee population (36.6%) are male, and 11 employees (0.3%) are undeclared.

### EXECUTIVE LEADERSHIP TEAM

Deckers executive leadership team is made up of eight members: two are female (25%) and six are male (75%).



## BOARD OF DIRECTORS

Our diverse Board of Directors brings a well-rounded perspective and is made up of nine individuals. Three of nine are female. Five of nine are from other underrepresented groups (including ethnicity and sexual orientation). Our Board has a wide range of skillsets and represents different backgrounds, ethnicities, genders, sexual orientations and qualifications which make us stronger as an organization.

### FY20 BOARD OF DIRECTORS PROFILE

**AVERAGE DIRECTOR TENURE:**  
4.25 YEARS

**AVERAGE DIRECTOR AGE:**  
56.8 YEARS

**DIRECTOR MEETING ATTENDANCE:**  
Each of our Directors attended at least 75% of Board Meetings and Meetings of the Board Committees on which they served.

### BOARD\*

**FEMALE:** 3      **MALE:** 6

\*List of independent or non-executive directors included in the above count as follows:

- Michael F. Devine III - Chairman
- Dave Powers
- Nelson C. Chan
- Cindy L. Davis
- Juan R. Figuereo
- Victor Luis
- Lauri M. Shanahan
- Brian A. Spaly
- Bonita C. Stewart

## FY20 GOVERNANCE PROFILE

**PROXY STATEMENT:**  
[FY20 PROXY STATEMENT](#)

**CEO COMPENSATION:**  
\$6,748,144

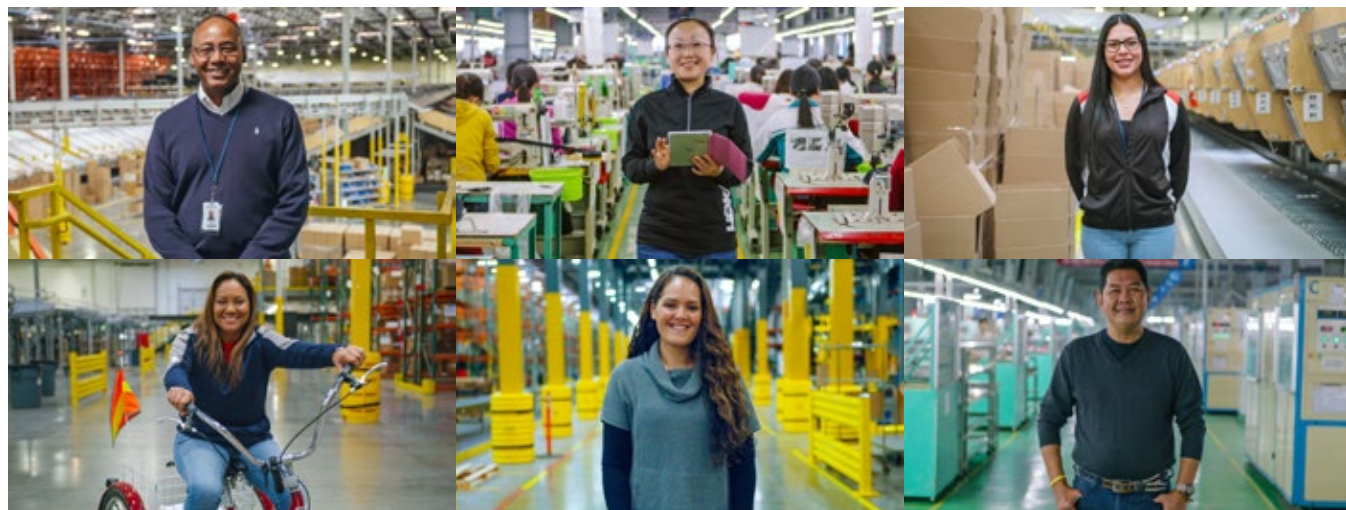
**PERCENTAGE OF CEO'S AT RISK TARGETED TOTAL COMPENSATION:**  
83%

**MEDIAN ANNUAL COMPENSATION:**  
\$37,407 — for further details, please see our [FY20 PROXY STATEMENT](#)

### [CORPORATE GOVERNANCE GUIDELINES](#)

GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION

# PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL (CONTINUED)



## ETHNICITY DATA

We can report on ethnicity metrics for employees in our US locations (which includes headquarters, Flagstaff, Moreno Valley Distribution Center, and some US retail Store locations). We are pleased that our employees represent a vast array of ethnic backgrounds.

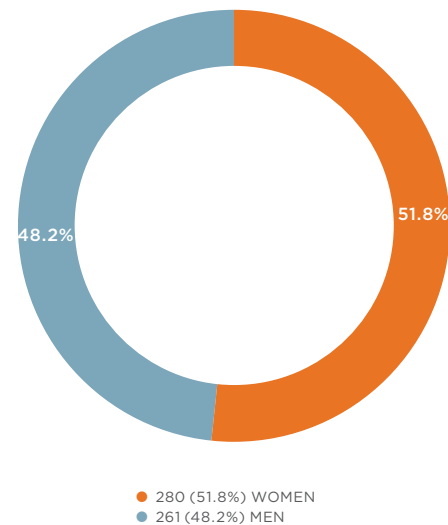
### ETHNICITY (US ONLY): 2,050 INDIVIDUALS

American Indian or Alaska Native	14 (0.7%)
Asian	137 (6.7%)
Black or African American	251 (12.2%)
Hispanic or Latino	557 (27.2%)
Native Hawaiian or Other Pacific Islander	14 (0.7%)
Two or More Races	61 (3.0%)
White	878 (42.8%)
Decline to Answer	17 (0.8%)
Undeclared	121 (5.9%)

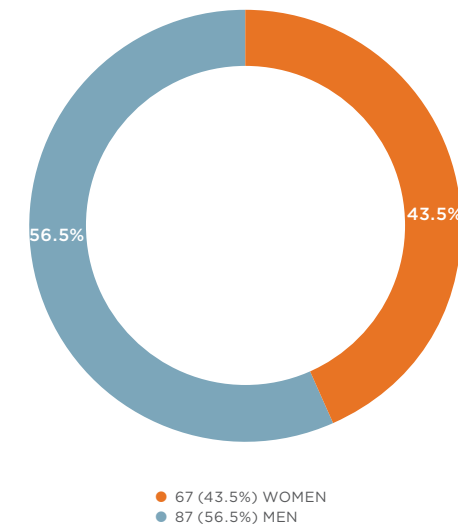
## CEO DIVERSITY PLEDGE

Creating an inclusive company culture is of the highest corporate priority. We seek a diverse representation of individuals across our teams, our brand ambassadors, and in marketing collateral. We signed **THE OUTDOOR INDUSTRY CEO DIVERSITY PLEDGE** last year and we continue to support our commitment to diversify the outdoor industry. UGG, HOKA, Teva, Sanuk and Koolaburra by UGG remain committed to representing 60% BIPOC, LGBTQ+, and diversity of body types and abilities in their marketing campaigns.

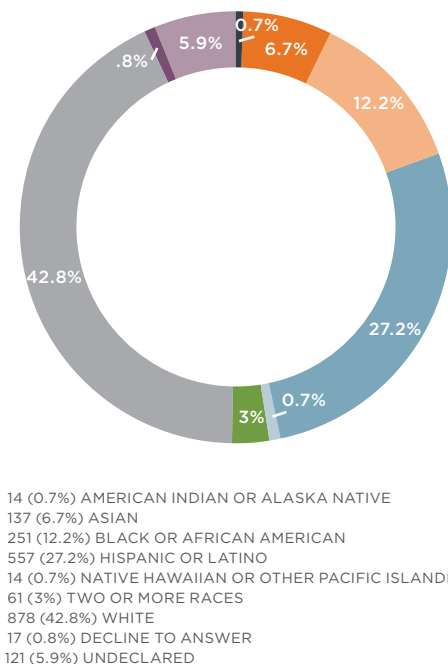
LEADER GENDER BREAKDOWN\* (GLOBAL)



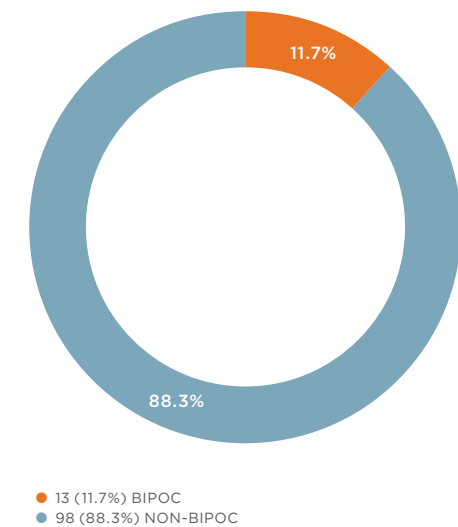
DIRECTOR LEVEL AND ABOVE GENDER BREAKDOWN (GLOBAL)



ETHNICITY (US ONLY)



BIPOC DIRECTOR LEVEL AND ABOVE (US ONLY)



\*As of September 2020 we are at 15% BIPOC representation at Director Level and Above.

\*Includes retail. Figures as of March 31, 2020.

## GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION

# PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL (CONTINUED)

## EDGE CERTIFICATION

We obtained our **ECONOMIC DIVIDEND FOR GENDER EQUALITY (EDGE)** Access level certification in FY19. We continue to make changes in our business to ensure all of our employees are treated equally, regardless of gender. EDGE is the leading standard for gender equality, measuring gender balance, pay equity, inclusiveness, and effectiveness of policies and practices to ensure equitable career flows.

## WOMEN'S LEADERSHIP SUMMIT

Our Women's Leadership Summit is an annual event hosted at our corporate headquarters that fosters creativity and inspiration and enhances our commitment to diversity and equity. Unfortunately, after much preparation and planning the event was postponed due to the COVID-19 global pandemic. We very much look forward to rescheduling this event as soon as possible.

## INCLUSION EFFORTS

In FY20 Deckers added gender inclusive bathroom placards, front row parking for expectant mothers, and designated additional refrigerators in breakroom areas for employees who want to keep food separate for religious or personal reasons. Hourly employees are also provided with two floating holidays for religious, personal or cultural observances. These are examples of the many efforts we completed in FY20 to foster an inclusive workforce.

## EMEA EQUITY SUMMIT

In FY20 our EMEA office hosted an equity summit that included a fascinating and informative panel discussion with the following guest speakers:

**Kelly Knox:** Model and body confidence advocate who believes everybody deserves to feel beautiful, happy and worthy in their own skin.

**Char Ellesse:** Founder of online platform **GIRLS WILL BE BOYS**, model, and public speaker. Girls will be Boys is a series of short films written and produced by Char to open the discussion around modern day gender assigned roles.

**Jamie Windust:** Founder of award winning LGBTQIA+ Fruitcake magazine focusing on queer excellence.

At Deckers we embrace our employees' differences, creating a safe place for everyone to thrive. To us, it is not about checking a box, we need to be conscious and aware of how we treat one another. We believe all our employees should be treated with respect and free to be their true authentic selves.





GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION

# PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL (CONTINUED)

## BRAND-SPECIFIC DIVERSITY AND INCLUSION EFFORTS

This year all of our brands supported diversity and inclusion in a powerful way. We are proud to highlight some of these efforts:



### UGG

In FY20, UGG partnered with Pacific Pride Foundation (PPF) to provide training to our UGG marketing and communications teams. PPF is a local LGBTQ+ center that serves the California central coast. The training was centered on LGBTQ+ vocabulary to stay educated and sensitive to this community in our brand initiatives and communications. UGG also brought a special photobooth experience to PPF’s annual PROUD Prom in February and sponsored the merchandise, and visual merchandising, for PPF’s annual Santa Barbara pride festival. The UGG brand looks forward to continuing their partnership with PPF in FY21. UGG is also committed to include 60% BIPOC, LGBTQ+ and diversity of body types and abilities in their marketing campaigns.

“How Fashion and Beauty Brands are Giving Back for Pride Month 2019.”

WWD

### HOKA

HOKA has continued its commitment to include 60% Black, Indigenous, People of Color, LGBTQ+, and diversity of body types and abilities in their marketing campaigns. They have partnered with The Outbound Collective to amplify two initiatives, the Pursuit Series and the #EveryoneOutside campaign. These initiatives focused on building a more inclusive and culturally diverse outdoor community by empowering underrepresented voices. HOKA and The Outbound Collective share a collective vision of making the outdoors accessible for all.

The brand also supported Back On My Feet, an organization that combats homelessness through the power of running, community, community support, essentially employment, and housing resources.

In FY20, HOKA worked closely with Run 4 All Women an organization that empowers women through fitness; using running as a vehicle for social change. HOKA also sponsored the Runners Alliance initiative, in partnership with Runners World and Women’s Health. Runners Alliance is a critical initiative to take action against harassment and endangerment that women often experience while running. We believe that everyone should have the freedom to run without fear.

We ended our fiscal year on a successful note when HOKA athlete Aliphine Tuliamuk won the U.S. Olympic Marathon Trials. While the Olympics are officially on hold due to the COVID-19 pandemic, we are committed to showcasing all athletes and amplifying their voices as they continue to achieve their personal goals.

“Aliphine Tuliamuk: What my Dreams Look Like Now.”

Women's Running

### TEVA

In May 2019, the Teva brand debuted its limited-edition flatform universal pride sandal. The marketing campaign featured transgender models, celebrating their unique style. Teva donated a portion of sales to the Tegan and Sara Foundation, funding scholarships for LGBTQ+ youth. Teva is also committed to include 60% BIPOC, LGBTQ+ and diversity of body types and abilities in their marketing campaigns.

“7 Brands That Have Made Their Marketing More Inclusive This Year.”

FN

# FY20 BENEFITS

## PARENTAL LEAVE POLICIES

Deckers values its employees and their families. We are pleased to offer a competitive paid parental leave program which offers up to 20 weeks of full pay for mothers and up to 8 weeks of full pay for fathers.

## DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

We offer a dollar for dollar employee contribution match (up to \$2,500) toward childcare or senior care expenses through Dependent Care Flexible Spending Accounts. Child and senior care is incredibly important but costly and our goal is to help our employees cover some of these expenses. We also offer back up resources for child and senior care through Care@Work.

## MENTAL AND PHYSICAL WELLBEING

The COVID-19 pandemic has added stress and anxiety on all of our employees and we wanted to help provide our employees with a resource to help manage their wellbeing. 'Headspace, a new benefit we offered to employees in FY20, is a 'wellbeing app' that offers stress reduction modules, guided meditation, sleep exercises, and breathing techniques that helps support our employees' wellbeing. We believe mental and physical wellbeing is essential to a focused and fulfilled workforce and when our campus is open, we also offer an onsite fitness center with group fitness classes and trainings. Our hope is that these benefits will help our employees prioritize their physical and emotional wellbeing.

## HEALTH SAVINGS ACCOUNT (HSA)

Our employees are offered the option to participate in an HSA that combines a high-deductible health insurance plan with a tax-favored savings account, enabling employees to build savings for health expenses with pre-tax dollars. The plan is free to enroll and Deckers contributes a set amount into each enrolled employee's account to help jumpstart their savings. Money left in the saving account accumulates interest and belongs to the employee even after their employment ends. We encourage our employees and their families to save for today and be better prepared for the future.

## CHARITABLE CONTRIBUTION DONATION MATCH

Deckers strongly believes in giving back and to encourage employees to contribute to charitable organizations that are of personal significance to them, Deckers offers a charitable donation match of up to \$1,000 per year for corporate, full-time, benefits eligible employees. Additionally, our London office has a referral program match. When an employee refers someone who is offered and accepts employment at Deckers, a charitable donation is made to the referrer's chosen charity.

## SOLAR AND ELECTRIC CAR REIMBURSEMENT PROGRAM

Deckers reimburses employees \$1,000 if they install solar panels on their home or purchase an electric vehicle. In FY20 we had 13 employees take advantage of our electric vehicle reimbursement program and 3 employees take advantage of our solar installation reimbursement program. Many of our employees want to make changes in their day-to-day lives to live a more environmentally mindful lifestyle and we are happy to help them do so.

## INTERNATIONAL BENEFITS

We take great care to ensure that our employees in different regions have similarly generous benefits available to them. Although our international benefits are structured differently depending on the region, benefits offered to our global employees are equally competitive.





GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION

# COMMUNITY

**3** GOOD HEALTH AND WELL-BEING

**4** QUALITY EDUCATION

**5** GENDER EQUALITY

**10** REDUCED INEQUALITIES

## COMMUNITY

Positively impact the communities where we operate including assuring industry leading human rights practices within our supply chain.

TARGETS	STATUS
Increase employee volunteer efforts by 20% by 2023 and 50% by 2027	<ul style="list-style-type: none"> <li>Employees volunteered 1,904 hours</li> <li>Implemented new employee volunteer hours tracking system</li> <li>Appointed Director, Deckers Gives</li> </ul>
Donate at least \$1,000,000 annually to organizations supporting at-risk youth, community, diversity/inclusion, education, environment, and family and children	<ul style="list-style-type: none"> <li>Donated \$1,859,658 to various organizations supporting at-risk youth, community, diversity/inclusion, education, environment, and family and children</li> </ul>
Ensure that every Deckers employee has the opportunity to contribute to our local communities	<ul style="list-style-type: none"> <li>Employees who volunteer 100 hours per calendar year receive a \$1,000 donation to a charity of their choice</li> <li>Employees provided up to 24 hours of paid volunteer time</li> </ul>

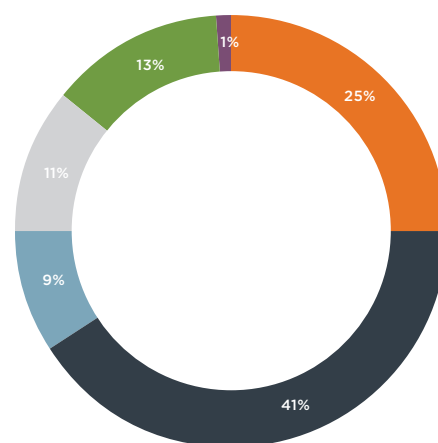
## OUR APPROACH

Doing good in the world through our charitable contributions, product donations, and employee volunteer efforts is an essential part of our culture and core to our values. Deckers continues to give in three ways: (1) monetary donations, (2) volunteer efforts, and (3) in-kind product donations. Read more about our giving efforts in detail below.

## MONETARY CONTRIBUTIONS

During fiscal year 2020 we donated \$1,859,658 to 143 different non-profit organizations. We focus our monetary donations in six categories: at-risk youth, community, diversity and inclusion, education, environment and family & children. With this approach we are able to make a more significant impact in those areas which matter most to us: people and the planet.

FY20 AREAS OF SUPPORT BY SECTOR



- AT RISK YOUTH
- COMMUNITY
- DIVERSITY/INCLUSION
- EDUCATION
- ENVIRONMENT
- FAMILY & CHILDREN

## BRAND CHARITABLE SPEND FOCUS

### UGG



**HERproject:** HERproject's mission is to unlock the full potential of women working in global supply chains through workplace-based interventions on health, financial inclusion, and gender equality. HERproject is made possible by Business for Social Responsibility (BSR).



**BORN THIS WAY FOUNDATION:** Born this Way Foundation is committed to supporting the wellness of young people, empowering them to create a kinder and braver world.



**U.R.G.E.:** U.R.G.E. Supports education, health, and the environment, in efforts to improve the communities where children live and grow.



**Save the Waves:** Save the Waves protects coastal resources through a unique combination of protected areas, economics, and direct action.

### TEVA



**Grand Canyon Conservancy:** Grand Canyon Conservancy is the official nonprofit partner of Grand Canyon National Park. They are involved in numerous projects that preserve the natural and culture resources of Grand Canyon national park.



**Conservation Alliance:** The Conservation Alliance's mission is to engage businesses to fund and partner with organizations to protect wild places.



**Outdoor Industry Association Outdoor Foundation:** The Outdoor Industry Association Outdoor Foundation inspires people to actively enjoy the outdoors. They aim to foster outdoor habits in kids and families by connecting research, knowledge, and people and programs.



**Camber Outdoors:** Camber Outdoors supports workplace inclusion, equity, and diversity in the active-outdoor industries.



**Tegan and Sara Foundation:** The Tegan and Sara Foundation's mission is to improve the lives of LGBTQ+ women and girls. This mission is founded on a commitment to feminism and racial, social and gender justice.

**BRAND CHARITABLE SPEND FOCUS (CONTINUED)**

**HOKA**



**Ironman Foundation:** The Ironman Foundation creates positive, tangible change in race communities through grant funding and volunteerism.



**ADRIAN MARTINEZ CLASSIC:** The Adrian Martinez Classic is a race that brings awareness to sudden cardiac arrest in youth.



**BACK ON MY FEET:** Back on my Feet is an organization that uses the power of running in a community to help people transition out of homelessness.



**RUNNERS FOR PUBLIC LANDS:** Runners for Public Lands works with environmental organization and corporate partners to strongly promote environmental literacy in runners of all ages and abilities.



**CAMBER OUTDOORS:** Camber Outdoors supports workplace inclusion, equity, and diversity in the active-outdoor industries.

**SANUK**



**OUTDOOR INDUSTRY ASSOCIATION OUTDOOR FOUNDATION:** The Outdoor Industry Association Outdoor Foundation inspires people to get out and enjoy the outdoors. They aim to foster outdoor habits in kids and families by connecting research, knowledge, people and programs.



**SURFRIDER FOUNDATION:** The Surfrider Foundation is dedicated to the protection and enjoyment of the world's ocean waves and beaches, for all people, through a powerful activist network.



**CAMBER OUTDOORS:** Camber Outdoors supports workplace inclusion, equity, and diversity in the active-outdoor industries.



**FISH REEF PROJECT:** The Fish Reef Project is an ocean enhancement and restoration project, eager to turn empty seafloors into thriving marine ecosystems.



**BROWN GIRL SURF:** Brown Girl Surf works to build a more diverse, environmentally reverent, and joyful women's surf culture by amplifying the voices of women of color surfers, increasing access to surfing, and cultivating community.

**GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION**

**COMMUNITY (CONTINUED)**

**IN-KIND PRODUCT DONATIONS**

We are committed to sustainability and to furthering the life of a product where possible. Returns which are capable of being resold are (e.g. returns tried on but returned for sizing issues, etc.). All others are donated to those in need through one of our charitable partnerships. Since 2006, we have donated over 1 million pairs of shoes to Soles4Souls and Good360. In FY20, we donated 97,048 units of product to Soles4Souls and 11,484 units of product to Good360 respectively. These two non-profit organizations provide products to individuals in need, and also help divert products that would otherwise be destined for landfill.

**KYLER'S KICKS**

Kyler's Kicks was founded by a teen who was severely bullied at school due to his worn-out shoes. Kyler found peace after this trauma by founding Kyler's Kicks and donating shoes to those in need. Our brands came together to support Kyler's Kicks by donating over 2,700 pairs of shoes in FY20.



GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION

# COMMUNITY (CONTINUED)

## ADDITIONAL PRODUCT DONATIONS

This fiscal year, we saw our nation go through two horrific experiences: the Australia wildfires, and the COVID-19 global pandemic. Read more about how we contributed to these two causes below.

### AUSTRALIA WILDFIRE RELIEF

The Australia wildfires ravaged through millions of acres of land, destroyed homes and took the lives of emergency relief personnel, Australian citizens, and animals. Our hearts went out to Australia and we knew we had to help repair the damage. Deckers gave \$10,000 to Direct Relief and \$10,000 to World Wildlife Fund, both of which assisted in recovery efforts. Direct Relief sent a total of 500,000 N-95 masks, that were sent to responding groups while working with several Australian organizations to deliver vital supplies. World Wildlife Fund rescued and provided care to injured animals and planted trees to regrow critical habitats and forests.

To show their support, the UGG brand gave 25% of the retail price of the Fluff Yeah Slide to Direct Relief. The UGG relief effort ran for one week in February and raised a total of \$38,486.05. This is a great example of how our brands are able to act promptly to support relief efforts.

## COVID-19 RELIEF

COVID-19 changed the world, and has changed both our business – and many others – forever. Throughout the pandemic, Deckers has remained steadfast in its promise to continue supporting our local communities across the globe. Santa Barbara is a small community filled with family-run restaurants and local businesses. We set out to do something to support relief efforts in our local community and established the Santa Barbara Better Together Fund, a partnership with the Santa Barbara Foundation, to help support COVID-19 relief efforts in the local Santa Barbara area. The fund is focused on supporting small businesses and the thousands they employ, to ensure their survival for the long-term health of the Santa Barbara community in which our corporate headquarters are located.

Our brands are always willing to step up and assist in times of need – this is part of our core values. When COVID-19 became a national emergency in China, our Deckers Shanghai team were among the first to donate to the medical staff fighting the virus in Wuhan, Shanghai and Beijing.

Our brands were also quick to offer their support to aid in relief efforts. In total, Deckers and our brands, committed over \$1 million dollars in COVID-19 relief donations in FY20. We take pride in this accomplishment, as it shows how committed we are to the safety and wellbeing of our global community.

## COVID-19 BRAND CONTRIBUTIONS

See below for more details on how our brands contributed:

### UGG

- UGG committed funds to the New York City Health & Hospitals and provided slippers and robes for healthcare workers.
- UGG made in-kind product donations to our local Santa Barbara Sansum Clinic.
- UGG hosted an Instagram giveaway for everyday heroes and donated 500 pairs of slippers each week for a month.

### HOKA

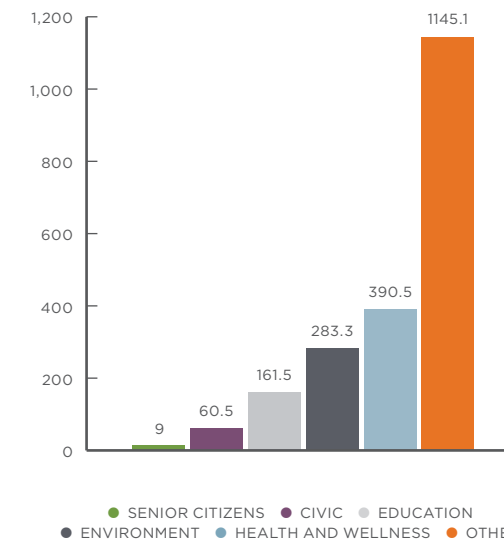
- HOKA donated 5,000 pairs of shoes to front-line workers across the country.
- HOKA made in-kind product donations to our local Santa Barbara Sansum Clinic.

### TEVA

- TEVA hosted Instagram shoe giveaways for frontline workers, donating over 900 pairs of shoes.

We are eternally grateful for our frontline workers: truckdrivers, grocery store associates, medical doctors, nurses, scientists and researchers who are truly making a difference, and this was our way of showing of appreciation for their heroism in times of crisis. We sincerely hope that our modest efforts brought them some comfort during these challenging times.

VOLUNTEER HOURS BY CATEGORY



GENDER EQUALITY, REDUCED INEQUALITIES, AND QUALITY EDUCATION

# COMMUNITY (CONTINUED)

## FY20 VOLUNTEER EFFORTS BY REGION

We appreciate the opportunity to give back to our communities monetarily, but we also see the true value in volunteering our time. Deckers encourages employees to volunteer their time by compensating each employee up to 24 hours of paid volunteer time each year. When employees donate 100 hours of volunteer time, per calendar year, Deckers donates \$1,000 in their honor to their charity of choice. We are better together, this is our way of showing our commitment and encouragement to employees who serve our communities.

In FY20 we deployed our new employee volunteer tracking tool, and this deployment resulted in some unforeseen challenges that we believe are reflected in our overall numbers. First, our employees needed to adjust to the new system in order to log their volunteer hours. Second, the reporting tool does not allow us to recover any volunteer hours incurred in FY20 of those employees who have since left the company. We also believe that the COVID-19 pandemic and state shutdown mandates have affected people’s ability and willingness to volunteer.

In total, our US offices donated approximately 1,237 hours, APAC offices donated 596 hours and EMEA offices donated 71 hours. We know that our employees are passionate about volunteering and that these numbers are likely not an accurate reflection of the volunteer hours actually performed. We have set a target to increase our volunteer efforts by 20% by 2023.

In FY20 we had planned for a Global Day of Kindness event that was scheduled for the beginning of FY21 but was unfortunately postponed due to the COVID-19 pandemic. We look forward rescheduling this event that is intended to be a global day of giving where all employees, regardless of where they reside, volunteer in their local communities. We want to use our scale as a force for good. There is no doubt that a global event of this nature will build a strong sense of comradery among our employees, while also positively impacting our local communities.

## OUR APAC TEAM

### HONG KONG

Our teams based in APAC are incredibly passionate about volunteering. In FY20 a large group of employees from our Hong Kong office participated in an event to help raise funds to support various family and childcare services.



### VIETNAM

In November 2019, our Ethical Supply Chain team coordinated a beach cleanup at Do Son Beach in Haiphong, Vietnam. This team encouraged our suppliers to participate, showcasing our commitment to work with partners who share in our environmental stewardship. Our goal is for our teams to clean up one waterway per year. We look forward to carrying out that goal in FY21 and beyond.



## OUR EMEA TEAM

### LONDON

Our London office partnered with Teams4U Shoebox Appeal. The team gifted shoeboxes full of toys and supplies to underprivileged youth within the area to ensure they had a memorable holiday season.



## COMMUNITY RECOGNITION

### PACIFIC COAST BUSINESS TIMES FASTEST GROWING COMPANIES

Deckers was featured in this year’s **PACIFIC COAST BUSINESS TIMES FASTEST-GROWING COMPANIES LIST**. The list is comprised of both public and private companies that were ranked based on 3-year revenue growth.

### CARING COMPANY AWARD

The Hong Kong Council of Social Service recognized Deckers for the ninth year as a **CARING COMPANY** for its commitment to caring for the community, caring for employees, and caring for the environment.

### BRAND RECOGNITION

#### TEVA


Teva was presented with the annual Corporate Stewardship award from the **PUBLIC LANDS ALLIANCE**, nominated by the Grand Canyon Conservancy. We are honored to have been selected as this shows our partnership stands out as best in class among national parks and public lands.

**ENVIRONMENT**

---

ENVIRONMENT

# WATER



**WATER**  
REDUCE WATER CONSUMPTION AND IMPROVE WATER QUALITY THROUGHOUT OUR OPERATIONS AND THE COMMUNITIES IN WHICH WE OPERATE.

TARGETS	FY20 PROGRESS
Increase the number of monitored Tier 1 and Tier 2 partners YOY and increase recycled water usage	<ul style="list-style-type: none"> <li>165,328,000 liters of water recycled</li> </ul>
Conduct study on water practices for all Tier 1 and top Tier 2 suppliers and ensure these partners are applying industry best practices on water treatment and usage	<ul style="list-style-type: none"> <li>4% reduction in water usage at the Tier 1 level. Tier 2 baseline set and target to reduce water usage at Tier 2 level by FY22 adopted</li> </ul>
Ensure 100% of our leathers/hides sourced from Leather Working Group Certified Tanneries	<ul style="list-style-type: none"> <li>97.33% of leathers/hides from Leather Working Group Certified Tanneries that support responsible energy usage</li> </ul>
Sanuk to continue utilizing charitable contribution spend by supporting water related conservation efforts	<ul style="list-style-type: none"> <li>Sanuk in support of Surfrider Foundation and Fish Reef Project</li> </ul>
Host an annual beach cleanup in one of the communities we operate in	<ul style="list-style-type: none"> <li>APAC team hosted a beach cleanup in Vietnam during our supplier summit</li> </ul>
Ensure best in class water mitigation efforts at corporate headquarters	<ul style="list-style-type: none"> <li>No Change</li> </ul>
Baseline product materials water usage, freshwater ecotoxicity and freshwater eutrophication produced at the finished material creation level and set reduction targets	<ul style="list-style-type: none"> <li>Deployed material LCA to establish baseline for water usage, freshwater ecotoxicity and freshwater eutrophication produced at the finished material creation level. Targets to be established in FY21</li> </ul>
Reduce or maintain (+/- 2%) packaging water usage and freshwater eutrophication produced per pair	<ul style="list-style-type: none"> <li>Packaging LCA completed.</li> <li>Completed Packaging Water Usage Study. Below shows FY19 v. FY20 reduction in water usage per pair:                             <ul style="list-style-type: none"> <li>UGG: 26.48%      Teva: 26.68%</li> <li>HOKA: 4.27%      Sanuk: 27.48%</li> </ul> </li> <li>Completed Packaging Freshwater Eutrophication Study. Below shows FY19 v. FY20 reduction in freshwater eutrophication per pair:                             <ul style="list-style-type: none"> <li>UGG: 13.50%      Teva: 26.17%</li> <li>HOKA: 1.06%      Sanuk: 20.71%</li> </ul> </li> </ul>

## OUR APPROACH

Water is essential to life. It is needed for hydration, heating and cooling, and agricultural processes. Water has no substitute and it's critical we take steps to ensure we are utilizing water in a responsible way.

Although water is a renewable resource, it is currently one of the most poorly managed resources on Earth. We make footwear intended to explore our waterways, relax after a day of surfing, or enjoy a beach lifestyle and while the fashion, apparel and footwear industry uses a lot of freshwater resources, we must do our part to reduce, purify and protect where we can. Our corporate offices have water mitigation programs in place and we encourage our supply chain partners to reduce water usage. We are studying ways to reduce our raw materials water usage/contamination while supporting organizations that are committed to protecting our waterways and oceans.

## CORPORATE HEADQUARTERS WATER USAGE EFFORTS

We are committed to reducing our overall water usage. As a LEED silver certified building our corporate headquarters location utilizes low flow fixtures - saving approximately 350,000 gallons of water each year. We have drought tolerant landscaping and collect rainwater that flows through a culvert system which is ultimately put back into the wetland restoration areas surrounding our corporate campus.



ENVIRONMENT

# WATER (CONTINUED)

## SUPPLY CHAIN WATER USAGE EFFORTS

Understanding that our largest environmental impact occurs at the raw material level, we expanded our supply chain monitoring efforts to 31 partners (compared to 25 partners in FY19). We expect our partners to adhere to the highest standards of water efficiency and discharge. We require 100% of our partners to have wastewater discharge permits to ensure proper disposal.

In FY22 we have adopted a target to reduce our water usage among Tier 1 partners by 15%. In FY20 we saw 4% reduction in water usage at the Tier 1 level. For our Tier 2 partners we have established a baseline and have set a 5% reduction target by FY22. We are working with partners who share in our vision to protect water usage and are excited to continue working with them to reach these goals.

FACILITY CATEGORY	TIER 1 FOOTWEAR FACTORIES	TIER 2 BOTTOM SUPPLIERS	TIER 2 TANNERIES		
			C (RAW HIDE/SKIN TO FINISHED LEATHER)	D (TANNED HIDE/SKIN TO FINISHED LEATHER)	F (TANNED HIDE/SKIN TO CRUST LEATHER)
<b>UNITS</b>	L/PAIR	L/PAIR			
<b>FY18</b>	17.52	2.76			
<b>FY18 FACILITIES MONITORED</b>	14	6			
<b>FY19</b>	16.58	1.72			
<b>FY19 FACILITIES MONITORED</b>	13	6			
<b>FY20</b>	15.91	3.79			
<b>FY20 FACILITIES MONITORED</b>	14	8			
<b>STATUS</b>	ACHIEVED	X			
<b>FY22 TARGET</b>	Reduce water usage among T1 partners by 15% and T2 bottom suppliers by 5%.				

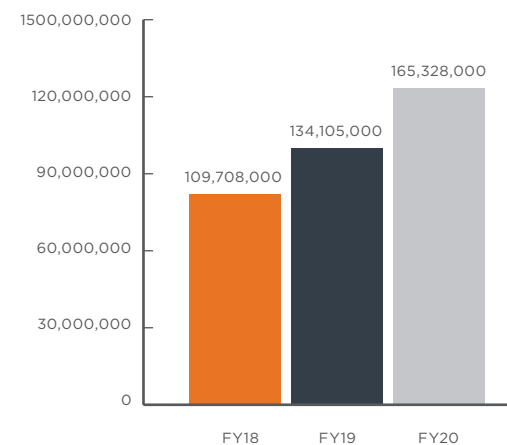
FACILITY CATEGORY	C (RAW HIDE/SKIN TO FINISHED LEATHER)	D (TANNED HIDE/SKIN TO FINISHED LEATHER)	F (TANNED HIDE/SKIN TO CRUST LEATHER)
<b>FACILITY NUMBER</b>	2	6	1
<b>UNITS</b>	LTR/M <sup>2</sup>	LTR/M <sup>2</sup>	LTR/M <sup>2</sup>
<b>FY20</b>	172.18	172.18	172.18
<b>STATUS</b>	ACHIEVED	ACHIEVED	ACHIEVED
<b>FY22 TARGET</b>	All tanneries are Leather Working Group Certified Gold (highest rating). Our goal is to continue monitoring tanneries so that they maintain their gold level rating and maintain industry best practices.		

*In FY20 we revised our tracking formulas from Kwhe/pair to LTR/ M<sup>2</sup>. This aligns with Leather Working Group and will allow us to easily transition when we evolve our raw materials LCA to include production.*

*'C', 'D', 'F' refer to LEATHER WORKING GROUP tannery categories. Category C is referring to raw hide/skin to finished leather, Category D is referring to tanned hide/skin to finished leather and Category F is referring to tanned hide/skin to crust leather.*

## SUPPLY CHAIN WATER RECYCLED

RECYCLED LITERS OF WATER



*Data pulled from 14 participating footwear factories. FY19 number has been corrected as the number reported in our FY19 report inadvertently included a T2 supplier. For reference, in FY18 we monitored 14 Tier 1 partners, in FY19 we monitored 13 Tier 1 partners, in FY 20 we monitored 14 Tier 1 partners.*

ENVIRONMENT

# WASTE

**13**  
CLIMATE ACTION

**7**  
AFFORDABLE AND CLEAN ENERGY

**12**  
RESPONSIBLE CONSUMPTION AND PRODUCTION

## WASTE

SUSTAINABLY REDUCE WASTE GENERATION AT OUR FACILITIES AND PARTNER FACILITIES THROUGH PREVENTION, REDUCTION, RECYCLING, AND REUSE.

## WASTE GENERATION

TARGETS	FY20 PROGRESS
Reduce waste generation at our Headquarters among our employees and brand teams	<ul style="list-style-type: none"> <li>▪ Eliminated most single use plastic at corporate office locations and retail</li> <li>▪ Teva team saw a 50% reduction in product sample creation through use of digitalization technology</li> <li>▪ Sanuk continues virtual brand conferences</li> <li>▪ All brands holding virtual brand conferences in FY21</li> </ul>
Benchmark theoretical waste produced at footwear and packaging level by measuring total input and subtracting our finished good weight	<ul style="list-style-type: none"> <li>▪ Target set</li> </ul>
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category (Tier 2)	<ul style="list-style-type: none"> <li>▪ Questionnaire deployed for lean manufacturing study for all midsoles and outsoles regarding loss in production and defect rate</li> </ul>
Set midsole and outsole waste reduction targets for each brand by FY20 (exempt Koolaburra)	<ul style="list-style-type: none"> <li>▪ Initial targets set reducing midsole and outsole waste for each brand</li> </ul>
Increase the number of 'Monitored' Tier 1 and Tier 2 partners YOY and record waste produced for each partner	<ul style="list-style-type: none"> <li>▪ Increased monitored Tier 1 facilities to 14 supply chain partners and saw a 7.72% waste reduction per pair. Increase monitored Tier 2 suppliers to 17 (8 Bottom unit and 9 tannery facilities). The bottom unit facilities saw a 61.73% reduction in waste and the tanneries saw a 29.43% reduction in waste</li> </ul>
Complete Packaging materials dunnage study and once established reduce dunnage by pair.	<ul style="list-style-type: none"> <li>▪ Completed Packaging Dunnage Study. Below shows FY19 v. FY20 reduction in dunnage per pair:                             <ul style="list-style-type: none"> <li>▪ UGG: 9.02%</li> <li>▪ HOKA: -2.20% (increase in dunnage)</li> <li>▪ Teva: 24.64%</li> <li>▪ Sanuk: 10.71%</li> </ul> </li> </ul>
Complete Packaging Loss in Production Study for all substrates, paper and plastic	<ul style="list-style-type: none"> <li>▪ When comparing FY19 vs FY20, Deckers saw a 16.3% reduction in Loss in Production (LOP) packaging waste. Specifically, by brand each saw reductions of:                             <ul style="list-style-type: none"> <li>▪ UGG: 24.15%</li> <li>▪ HOKA: -3.43% (increase in LOP waste)</li> <li>▪ Teva: 31.34%</li> <li>▪ Sanuk: 43.54%</li> </ul> </li> </ul>

## WASTE DIVERSION

TARGETS	FY20 PROGRESS
Moreno Valley Distribution Center zero-waste facility by 2023	<ul style="list-style-type: none"> <li>▪ 96% of waste was recycled</li> </ul>
Increase the number of monitored Tier 1 and Tier 2 partners YOY and set waste diversion targets	<ul style="list-style-type: none"> <li>▪ Monitored 14 Tier 1 supply chain partners waste and saw a 27.44% waste diversion rate with a goal to increase this diversion rate by 10% in FY21</li> </ul>
Charter a more in-depth Waste Diversion Program (define measure analyze improve control 'DMAIC') for selected Tier 1 and Tier 2 (including benchmarking types of waste such as foams and textiles)	<ul style="list-style-type: none"> <li>▪ Target set</li> </ul>
Create a Design of Experiments (DOE) plan to divert our waste from Tier 1 partners to be upcycled (either within Tier 2 partners or new external partners)	<ul style="list-style-type: none"> <li>▪ Target set</li> </ul>
Complete Packaging materials waste diversion study among packaging suppliers	<ul style="list-style-type: none"> <li>▪ Packaging Waste Diversion Study Completed. In FY20, 98.58% of all packaging substrate waste produced by our suppliers were either post-industrial recycled or close loop recycled. Leaving only 1.42% to landfill</li> <li>▪ 98.80% of paper waste was either post-industrial recycled or close loop recycled. Leaving only 1.20% of paper waste to landfill</li> <li>▪ 92.22% of plastic packaging waste was either post-industrial recycled or close loop recycled. Specifically, 88.67% of our plastic packaging waste was closed loop recycled. Leaving only 7.78% of plastic waste to landfill</li> </ul>

ENVIRONMENT

# WASTE (CONTINUED)

## OUR APPROACH

We strive to reduce waste generation and properly dispose of waste, avoiding landfill or incineration without energy recovery. Rivers collectively dump about **2.75 MILLION METRIC TONS OF WASTE INTO THE OCEAN ANNUALLY**. A large amount of waste is comprised of microplastics which are tiny pieces of broken-down plastic smaller than a fingernail. Ten distinct rivers, located in Asia and Africa, are thought to carry about 93% of trash that is eventually found in our oceans. We manufacture primarily in Asia and are committed to doing our part to engage our global partners on proper waste management. At our corporate offices, we continue to take steps to eliminate single use plastics and utilize technology to create less waste. Additionally, we are committed to ensuring that our Moreno Valley distribution center is a zero-waste facility by 2023.



## CORPORATE HEADQUARTERS WASTE MITIGATION EFFORTS

### SINGLE USE PLASTICS

According to the Washington Post, by 2050 there will be **MORE PLASTIC IN THE OCEAN THAN FISH** and **40% OF PLASTIC PRODUCED IS PACKAGING USED JUST ONCE AND THEN DISCARDED**. Our hope is to contribute to the reduction of this statistic by properly managing and optimizing our waste generation.

In FY20, we have taken steps toward eliminating single use plastics from our headquarters. Our campus café is now free from most single use plastics. All drinks are now either in glass or aluminum containers, clamshells are now made of recycled pulp, utensils are compostable, and we supply reusable coffee mugs for all employees. Water stations are located throughout our corporate headquarters and we encourage all employees to use their gifted Corporate Responsibility stainless steel water bottle. We are currently attempting to eliminate snacks in plastic packaging which is proving to be a challenge as the plastic found in most snack packaging actually protects the shelf life of the food.

Our Vietnam, Guangzhou, Hong Kong, Shanghai and Japan offices all participated in our plastic waste reduction program. In FY20, by simply encouraging employees to use their reusable water bottles, our offices saved just under 9,000 water bottles.

We also encouraged our supply chain partners in China and Vietnam to reduce water bottle usage. The plastic waste reduction program commenced mid-FY20 and shortly after, our supply chain partners were able to save approximately 23,461 plastic bottles.

## APAC PLASTIC WASTE REDUCTION PROGRAM SAVINGS

	PLASTIC BOTTLE SAVED (EACH)	COST SAVED (USD)	% SAVED
<b>DECKERS APAC OFFICES</b>			
Guangzhou	4,644		
Vietnam	2,256		
Hong Kong	288		
Shanghai	960		
Japan	732		
<b>OFFICE TOTAL</b>	<b>8,880</b>	<b>\$2,170</b>	<b>95.0%</b>
<b>SUPPLY CHAIN FACILITIES</b>			
7 Tier 1 Facilities	23,461	N/A	58.21%
<b>GRAND TOTAL</b>	<b>32,341</b>		

*\*Total Bottles Saved: Total bottles generated in same periods of FY19 — Total bottles generated in FY20 project period*

*\*\*% Of Saved: Total bottles saved / Total bottles generated in FY19 project period x 100%*

## SMOKE FREE CAMPUS

We have also prohibited smoking on our campus. Cigarette butts contain plastic and are often not disposed of properly. Our HOKA team spent an afternoon volunteering in the community surrounding our corporate headquarters picking up cigarette butts and shipping them to **TERRACYCLE** to be properly recycled.



ENVIRONMENT

WASTE (CONTINUED)

**MORENO VALLEY DISTRIBUTION CENTER WASTE MITIGATION EFFORTS**

Our Moreno Valley Distribution Center is a state-of-the-art facility but, at approximately 1.6 million square feet, has a substantial footprint. A facility of this size is a significant waste generator, but we recycle about 96% of our total waste footprint. Our goal is to make this location a zero-waste facility by 2027. We are on target and look forward to achieving this goal in advance of our anticipated deadline.

	DC LOCATION	
	MV	MV % SPLIT
PERIOD	FY20 (April 2019 – March 2020)	
TOTAL TRASH (TONS)	130	4%
TOTAL RECYCLED (TONS)	2,768	96%
<b>TOTAL</b>	<b>2,889</b>	<b>100%</b>

**VIRTUAL BRAND CONFERENCES**

In FY19 the Sanuk brand converted its brand conferences to virtual events, saving resources and travel emissions. The COVID-19 pandemic challenged us to shift our 'normal' and rely on technology rather than face-to-face interaction. In FY20, all our brands held their Spring/Summer conferences virtually. Being faced with a pandemic of this magnitude creates beneficial long-term change. We will continue to utilize the technology available to us to create efficiencies.



**DIGITALIZATION OF PRODUCT CREATION**

**3D PRINTING AND DESIGN**

3D printing and design allows us to visualize design intent before finalizing a sample, reducing the number of samples manufactured and shipped and leading to numerous additional efficiencies. Teva was an early adopter of 3D printing technology and as a result has succeeded in reducing their overall environmental footprint.

Teva worked closely with our Digital Design Team and saw a 50% reduction of physical prototypes through the use of 3D design. This allowed us to efficiently communicate with our manufacturing teams abroad and streamline processes.

3D design allowed our Teva Product Line Managers to preview photorealistic representations of new designs to accounts and customers months earlier, giving them valuable feedback and insight. 3D design allows us to quickly refine designs and colorways, save on material waste, and avoid excess shipping.





ENVIRONMENT

# WASTE (CONTINUED)

## SUPPLY CHAIN WASTE GENERATION EFFORTS

In FY20 we saw significant improvement in our supply chain partners' ability to properly manage waste generation. In total, we saw a 7.72% reduction in average waste produced per pair at Tier 1 footwear factories, a 61.73% reduction in average waste per pair at Tier 2 bottom factories, and a 29.43% reduction in average waste per pair at Tier 2 tanneries. We are proud of these reductions, but we do not anticipate a similarly significant reduction year over year. We attribute the vast majority of these savings to our suppliers ability to appropriately segregate building construction waste from production waste: a problem area identified in FY19.

	FACILITY CATEGORY		
	TIER 1 FOOTWEAR FACTORIES	TIER 2 BOTTOM SUPPLIERS	TIER 2 TANNERIES
<b>UNITS</b>	g/pair	g/pair	g/sf
<b>FY18</b>	87.1	32.1	42.1
<b>FY18 FACILITIES MONITORED</b>	14	6	8
<b>FY19</b>	147.58	68.74	97.79
<b>FY19 FACILITIES MONITORED</b>	13	6	6
<b>FY20</b>	136.18	26.31	69.01
<b>FY20 FACILITIES MONITORED</b>	14	8	9
<b>STATUS</b>	Needs improvement	✓	Needs improvement
<b>FY22</b>	Reduce waste generation among T1 partners by 15% and 5% among T2 partners		

## PRODUCT WASTE

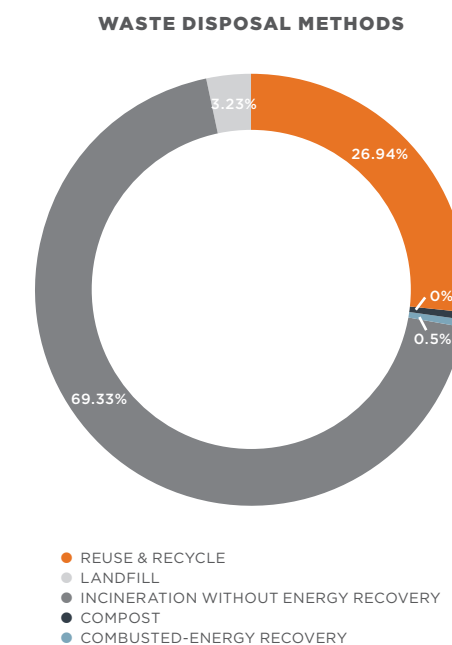
We continued our waste diversion monitoring in 14 of our key footwear factories. Waste diversion does present its challenges as it is entirely dependent on the waste treatment resources available within the countries where our partners are located. In FY20 we saw a slight decrease in our waste diversion rate. We accredit this to new partners participating in our monitoring program and challenges in waste management facilities currently available in Northern Vietnam. We need to dedicate more time and resources to training our new partners so that they can continue to increase their diversion rates. We will continue to partner with our suppliers and seek opportunities to collaborate and find lasting waste management solutions.

TIER 1 FOOTWEAR FACTORIES	
<b>FACILITY NUMBER</b>	14
<b>UNITS</b>	%
<b>FY18 DIVERSION RATE</b>	24.54%
<b>FY19 DIVERSION RATE</b>	30.12%
<b>FY20 DIVERSION RATE</b>	27.44%
<b>STATUS</b>	Needs improvement
<b>FY22</b>	Increase diversion rates among T1 partners by 10%

\*Figures derived from 14 core footwear factories. Four are new facilities including two located in the Philippines which have the lowest diversion rate and bring down our overall rate.

## METHODS OF WASTE DISPOSAL

The 14 footwear facilities we monitored in FY20 are generally disposing their waste by: reuse, recycling, combusted energy recovery, incineration without energy recovery, or landfill. While we are proud that our monitored facilities recycled approximately a quarter of their waste, we recognize the need to continue evaluating new opportunities to recycle or compost. In FY21, we are committed to working with our partners to explore all available opportunities for waste disposal and hope to see a 10% increase in waste diversion.



## ENVIRONMENT

## WASTE (CONTINUED)

## PACKAGING WASTE

Since 2017, we have been looking for ways to reduce our packaging waste through better design and engineering. We have been collecting packaging data related to the waste produced in production ('loss in production'). We worked closely with our supply chain partners to capture the amount of waste produced per piece of packaging and how they dispose of it. We believe closed loop recycling is best but when unavailable, we support post-industrial recycling services. We have also invested in consumer education by providing instructions on how to properly recycle our packaging. We do our best to not only design sustainable packaging, but to make sure the waste does not end up in a landfill.

## LOSS IN PRODUCTION

## ALL SUBSTRATES (WASTE DUNNAGE LBS / PAIR)

	FY17 LBS	FY18 LBS	FY19 LBS	FY20 LBS	FY17 VS FY18	FY18 VS FY19	FY19 VS FY20
<b>UGG</b>	0.123	0.109	0.099	<b>0.075</b>	-11.92%	-8.40%	<b>-24.15%</b>
<b>HOKA</b>	0.119	0.110	0.104	<b>0.107</b>	-7.36%	-5.89%	<b>3.43%</b>
<b>TEVA</b>	0.099	0.083	0.073	<b>0.050</b>	-16.20%	-11.81%	<b>-31.34%</b>
<b>SANUK</b>	0.030	0.024	0.027	<b>0.016</b>	-19.48%	13.81%	<b>-43.54%</b>
<b>DECKERS</b>	<b>0.110</b>	<b>0.094</b>	<b>0.088</b>	<b>0.073</b>	<b>-14.38%</b>	<b>-6.84%</b>	<b>-16.30%</b>

## ALL SUBSTRATES (WASTE DUNNAGE LBS)

	2016 LBS	2017 LBS	2018 LBS	2019 LBS
<b>UGG</b>	1,775,934	2,644,279	2,386,823	1,643,375
<b>HOKA</b>	226,462	339,101	450,579	711,400
<b>TEVA</b>	447,796	421,468	348,529	296,139
<b>SANUK</b>	60,830	119,990	130,305	36,227
<b>DECKERS</b>	<b>2,511,022</b>	<b>3,524,838</b>	<b>3,316,236</b>	<b>2,687,141</b>

ENVIRONMENT

WASTE (CONTINUED)

LOSS IN PRODUCTION (CONTINUED)

PAPER SUBSTRATES (PAPER WASTE DUNNAGE LBS / PAIR)

	FY17 LBS	FY18 LBS	FY19 LBS	FY20 LBS	FY17 VS FY18	FY18 VS FY19	FY19 VS FY20
<b>UGG</b>	0.121	0.106	0.097	<b>0.073</b>	-12.09%	-8.30%	<b>-25.40%</b>
<b>HOKA</b>	0.119	0.110	0.103	<b>0.107</b>	-7.42%	-5.87%	<b>3.50%</b>
<b>TEVA</b>	0.097	0.082	0.073	<b>0.050</b>	-16.06%	-10.56%	<b>-31.18%</b>
<b>SANUK</b>	0.027	0.021	0.025	<b>0.013</b>	-23.06%	18.30%	<b>-47.35%</b>
<b>DECKERS</b>	<b>0.108</b>	<b>0.092</b>	<b>0.086</b>	<b>0.071</b>	<b>-14.67%</b>	<b>-6.48%</b>	<b>-16.81%</b>

PAPER SUBSTRATES (PAPER WASTE DUNNAGE LBS)

	2016 LBS	2017 LBS	2018 LBS	2019 LBS
<b>UGG</b>	1,740,114	2,585,902	2,336,768	1,582,232
<b>HOKA</b>	225,846	337,981	449,183	709,648
<b>TEVA</b>	438,783	413,676	346,932	295,483
<b>SANUK</b>	55,170	103,989	117,389	30,430
<b>DECKERS</b>	<b>2,459,914</b>	<b>3,441,548</b>	<b>3,250,271</b>	<b>2,617,794</b>

PLASTIC SUBSTRATES (PLASTIC WASTE DUNNAGE LBS / PAIR)

	FY17 LBS	FY18 LBS	FY19 LBS	FY20 LBS	FY17 VS FY18	FY18 VS FY19	FY19 VS FY20
<b>UGG</b>	0.0022	0.0022	0.0019	0.0027	0.88%	-13.44%	42.20%
<b>HOKA</b>	0.0003	0.0004	0.0003	0.0003	12.67%	-11.67%	-17.77%
<b>TEVA</b>	0.0020	0.0015	0.0003	0.0001	-22.99%	-79.94%	-66.26%
<b>SANUK</b>	0.0028	0.0026	0.0018	0.0021	-3.77%	-32.40%	18.38%
<b>DECKERS</b>	<b>0.002</b>	<b>0.002</b>	<b>0.002</b>	<b>0.002</b>	<b>-1.00%</b>	<b>-25.25%</b>	<b>20.14%</b>

PLASTIC SUBSTRATES (PLASTIC WASTE DUNNAGE LBS)

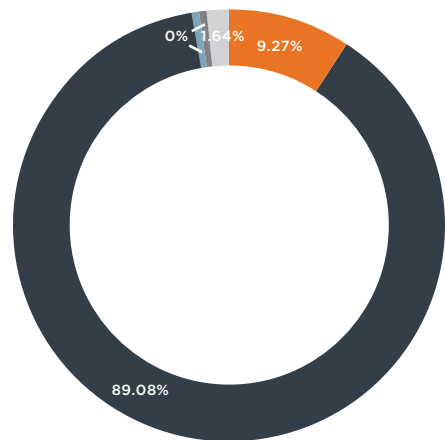
	2016 LBS	2017 LBS	2018 LBS	2019 LBS
<b>UGG</b>	31,709	54,073	46,127	59,539
<b>HOKA</b>	615	1,119	1,396	1,752
<b>TEVA</b>	9,004	7,788	1,465	612
<b>SANUK</b>	5,586	13,167	8,493	4,951
<b>DECKERS</b>	<b>46,913</b>	<b>76,148</b>	<b>57,481</b>	<b>66,854</b>



ENVIRONMENT

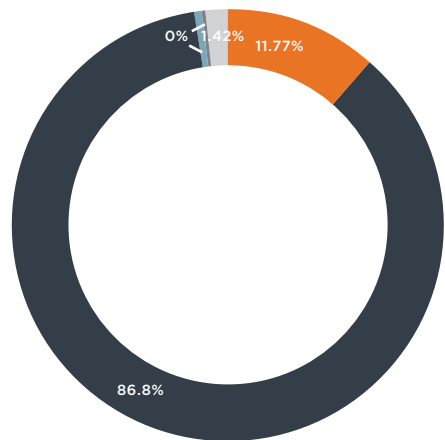
WASTE (CONTINUED)

**FY19 PACKAGING WASTE DIVERSION (ALL SUBSTRATES)**



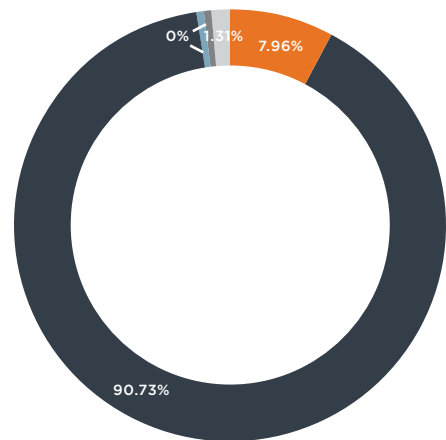
● CLOSED LOOP ● POST INDUSTRIAL WASTE  
 ● COMBUSTED ENERGY RECOVERY  
 ● INCINERATION WITHOUT ENERGY RECOVERY ● LANDFILL

**FY20 PACKAGING WASTE DIVERSION (ALL SUBSTRATES)**



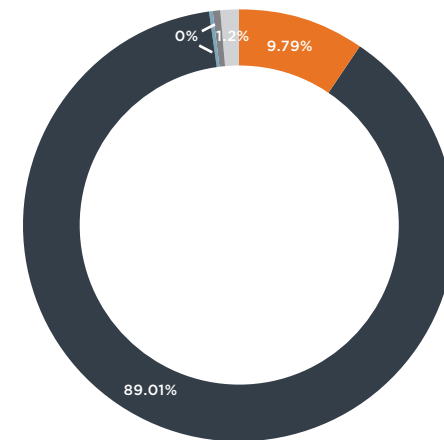
● CLOSED LOOP ● POST INDUSTRIAL WASTE  
 ● COMBUSTED ENERGY RECOVERY  
 ● INCINERATION WITHOUT ENERGY RECOVERY ● LANDFILL

**FY19 PACKAGING WASTE DIVERSION (PAPER SUBSTRATES)**



● CLOSED LOOP ● POST INDUSTRIAL WASTE  
 ● COMBUSTED ENERGY RECOVERY  
 ● INCINERATION WITHOUT ENERGY RECOVERY ● LANDFILL

**FY20 PACKAGING WASTE DIVERSION (PAPER SUBSTRATES)**



● CLOSED LOOP ● POST INDUSTRIAL WASTE  
 ● COMBUSTED ENERGY RECOVERY  
 ● INCINERATION WITHOUT ENERGY RECOVERY ● LANDFILL

**LOSS IN PRODUCTION - ALL SUBSTRATES (WASTE DUNNAGE LB)**

	2016 LBS	2017 LBS	2018 LBS	2019 LBS
<b>CLOSED LOOP</b>	209,971.82	302,036.98	307,570.11	<b>316,359.67</b>
<b>LANDFILL</b>	62,379.48	127,085.40	54,546.93	<b>38,232.30</b>
<b>POST INDUSTRIAL</b>	2,238,670.95	3,095,715.76	2,954,118.52	<b>2,332,548.80</b>

**LOSS IN PRODUCTION - PAPER SUBSTRATES (WASTE DUNNAGE LB)**

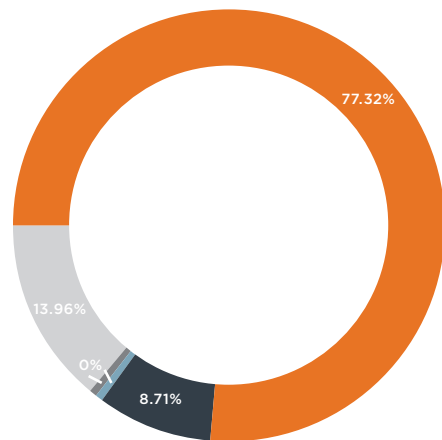
	2016 LBS	2017 LBS	2018 LBS	2019 LBS
<b>CLOSED LOOP</b>	181,812.80	240,178.17	258,709.79	<b>256,236.60</b>
<b>LANDFILL</b>	54,034.30	109,927.23	42,451.70	<b>31,429.29</b>
<b>POST INDUSTRIAL</b>	2,224,066.61	3,091,442.38	2,949,109.74	<b>2,330,127.65</b>



ENVIRONMENT

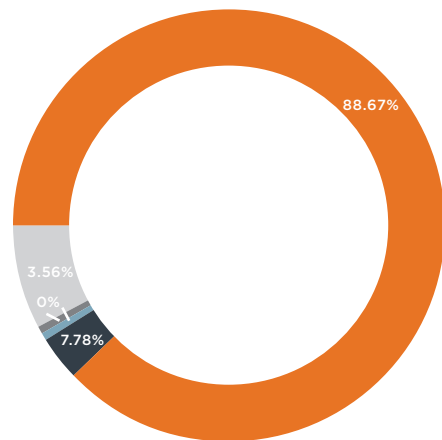
WASTE (CONTINUED)

**FY19 PACKAGING WASTE DIVERSION (PLASTIC SUBSTRATES)**



● CLOSED LOOP 
 ● POST INDUSTRIAL WASTE  
● COMBUSTED ENERGY RECOVERY  
● INCINERATION WITHOUT ENERGY RECOVERY 
 ● LANDFILL

**FY20 PACKAGING WASTE DIVERSION (PLASTIC SUBSTRATES)**



● CLOSED LOOP 
 ● POST INDUSTRIAL WASTE  
● COMBUSTED ENERGY RECOVERY  
● INCINERATION WITHOUT ENERGY RECOVERY 
 ● LANDFILL

**LOSS IN PRODUCTION - PLASTIC SUBSTRATES (WASTE DUNNAGE LB)**

	2016 LBS	2017 LBS	2018 LBS	2019 LBS
<b>CLOSED LOOP</b>	28,159.02	61,450.56	44,446.21	<b>59,277.05</b>
<b>LANDFILL</b>	4,149.95	10,423.58	8,026.50	<b>5,198.96</b>
<b>POST INDUSTRIAL</b>	14,604.34	4,273.38	5,008.79	<b>2,377.93</b>





# CLIMATE AND CLEAN ENERGY

**CLIMATE AND CLEAN ENERGY**  
REDUCE ENERGY CONSUMPTION AND CARBON EMISSIONS THROUGHOUT OUR OPERATIONS.

TARGETS	FY20 PROGRESS
Reduce employee travel by 50%	Global employees air travel emitted 11,641,280 pounds or 5,820.64 tons of CO2
Encourage employee utilization of alternative commute program to save over 50 tons of CO2 annually	Employees recorded and saved 80.74 tons of CO2 through alternative commute strategies
Baseline product materials energy and greenhouse gas emissions and set reduction targets	Deployed material LCA to establish baseline for energy usage and greenhouse gas emissions at finished material creation level: targets to be set FY21
Maintain packaging energy and greenhouse gas emission per pair	<ul style="list-style-type: none"> <li>▪ Packaging LCA completed</li> <li>▪ Completed Packaging Greenhouse Gas Emissions Study. Below shows FY19 v. FY20 reduction in greenhouse gas emissions per pair:                             <ul style="list-style-type: none"> <li>▪ UGG: 4.85%</li> <li>▪ HOKA: -1.44% (increase in GHG emissions)</li> <li>▪ Teva: 24.79%</li> <li>▪ Sanuk: 6.49%</li> </ul> </li> <li>▪ Completed Packaging Energy Usage Study. Below shows FY19 v. FY20 reduction in energy per pair:                             <ul style="list-style-type: none"> <li>▪ UGG: 14.22%</li> <li>▪ HOKA: -0.08% (increase in energy use)</li> <li>▪ Teva: 26.82%</li> <li>▪ Sanuk: 18.39%</li> </ul> </li> </ul>
100% renewable energy in owned and operated facilities	<ul style="list-style-type: none"> <li>▪ Corporate HQ LED conversion completed: 100% LED lighting installed</li> <li>▪ Hong Kong Office in 90% percentile for energy efficiency</li> <li>▪ Continued to track usage among US retail stores and US company office locations generally remaining consistent</li> </ul>

TARGETS	FY20 PROGRESS
Increase awareness on climate related issues	Earth Day employee contest conceptualized in FY20 with deployment in FY21 to encourage employees to live in a more environmentally mindful way
Of monitored Tier 1 facilities, reduce non-renewable energy usage by 30%	Monitored 14 of Tier 1 footwear factories and reduced their energy consumption by 30%. Goal is to maintain this reduction
Of monitored Tier 2 suppliers, reduce non-renewable energy usage by 5%	Monitored 17 Tier 2 suppliers. Of the 8 Bottom unit facilities and tannery facilities energy consumption and set reduction target of 5%
Set Science-based climate change goals	Target set



ENVIRONMENT

# CLIMATE AND CLEAN ENERGY (CONTINUED)

## OUR APPROACH

The Earth's temperature is rising, threatening Earth's ecosystems and the societies within them. While we each have an obligation to help mitigate the effects of climate change, we believe we can use our scale, along with others in our industry, to fight climate change. We strive to reduce our energy impact in our own stores and offices, decrease our travel footprint, reduce our use of petroleum-based materials, and work with our supply chain partners to reduce energy consumption.

The energy sector is the largest contributor to climate change. We want to use renewable energy whenever possible. The most effective means to contribute to reducing our climate change impact is to reduce our greenhouse gas emissions by utilizing preferred raw materials in our products and packaging, reducing our air travel, and optimizing our partnered manufacturing.



## CLEAN ENERGY AND GREENHOUSE GAS EMISSIONS

At Deckers, we track Scope 1, 2, and 3 emissions as outlined below:

### Scope 1 covers direct emissions from owned or controlled sources.

- Deckers tracks energy usage at our Corporate Headquarters, Flagstaff Corporate office, and Moreno Valley Distribution center location.
- We track our product's packaging energy usage and greenhouse gas emissions.

### Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.

- Deckers tracks energy usage at most US operated retail store locations, carbon emissions associated with corporate-wide employee travel, carbon emissions associated with corporate employee alternative commute program.

### Scope 3 includes all other indirect emissions that occur in a company's value chain.

- We track energy usage among thirty-one of our supply chain partners (Tier 1 and Tier 2).

## CORPORATE TRAVEL EMISSIONS

### ALTERNATIVE COMMUTE PROGRAM

We encourage our employees to participate in our alternative commute program. Employees who take advantage of this program are compensated \$1 per trip. In FY20 our employees saved 80.74 tons of CO2 eq. Just by choosing a more environmentally friendly method of commute. This is an increase from the 71.07 tons of CO2 eq. Saved in FY19. We value our employees and their commitment to reduce their carbon footprint.

DECKERS COMMUTE STATS ON SMARTRIDE.ORG  
(APRIL 1, 2019 - MARCH 31, 2020)

MODE	USERS	TRIPS	MILES	CO2 SAVINGS (GRAMS)
BUS	15	1790	69611.11	16149776.68
CARPOOL	76	11664	211599.3	38934278.13
CARPOOL (THREE PLUS)	4	68	869.2	213240.836
COMMUTE BIKE	37	3713	17962.92	6610354.56
DRIVE	2	12	22.6	0
MOTORCYCLE	6	630	8132.4	1496361.6
NON-COMMUTE BIKE	6	37	301	110768
SKATE	1	8	11.2	4121.6
TELECOMMUTE	4	76	1061.8	390742.4
TRAIN	5	839	38637.9	8963992.8
WALK	14	281	1002.49	368916.32
ALTERNATIVE TRIPS		19,106		73,242,552.92
TOTAL CO2 SAVINGS				80.74 TONS

ENVIRONMENT

# CLIMATE AND CLEAN ENERGY (CONTINUED)

## AIR TRAVEL

We monitor our travel emissions, taking advantage of tools available to us to track our global travel footprint. In FY20 our global employees travel emitted 11,641,280 pounds, or 5,820.64 tons, of CO2 eq. This is a newly reported metric and we look forward to continuing to track progress in this area and explore opportunities for purchasing carbon offsets to balance our global company travel in FY21.

## CARBON OFFSETS

We want to be as honest and transparent as possible when discussing climate neutrality. Our position will always be to first reduce wherever possible and supplement with offsets. We will continue to measure and reduce our emissions and will consider supplementing with offsets purchased from [CLIMATE NEUTRAL NOW](#) in FY21 and beyond. We are also exploring options to offer carbon neutral shipping to our consumers and will evaluate adopting science-based carbon targets in FY21.

## ELECTRICITY USAGE

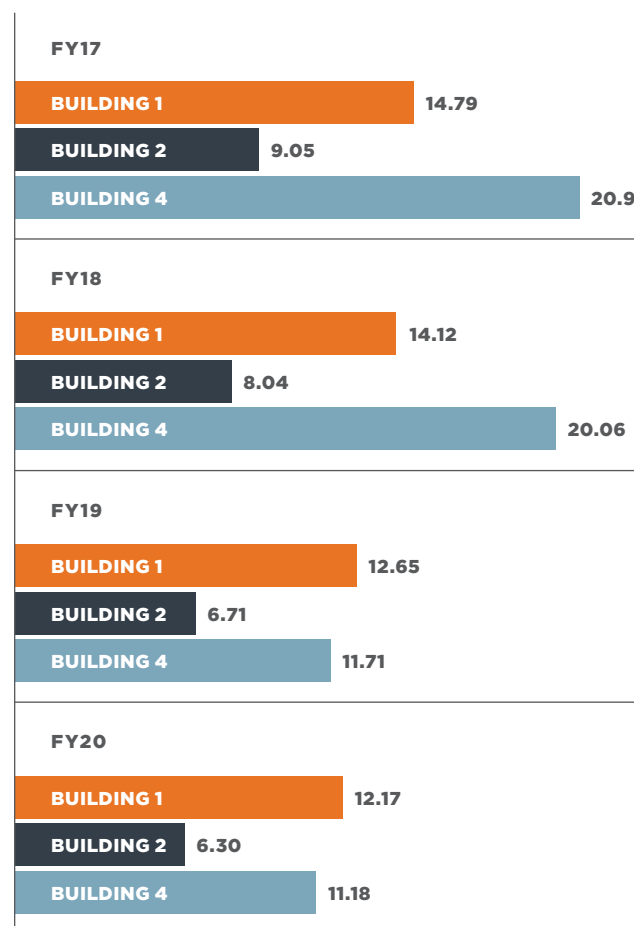
### CORPORATE HEADQUARTERS

Our LEED Certified corporate headquarters has approximately 1,170 solar panels installed on the roof which help to offset electric energy usage. Our campus consists of three buildings that house employees during working hours. In FY20 we saw a 5% reduction in our electric energy usage that can be attributed primarily to the application of demand level settings in our HVAC system. Our corporate headquarters has also converted to 100% LED lighting which reduces our carbon footprint, saves energy, and reduces waste as it decreases the frequency of replacing bulbs when compared to LED lighting.

We are also exploring the possibility of an expanded solar footprint (requiring us to build shade awnings over the parking where we could place additional solar panels) and an extended solar microgrid which would provide benefits such as:

- The ability to remain 100% self-sufficient in an electrical power outage
- The ability to claim a 31% reduction of our annual carbon footprint
- The ability to support the local communities critical services once the Goleta Microgrid is established

FY20 GOLETA CORPORATE HQ OFFICE ENERGY USE (KWH/SQFT)



FY20 GOLETA CORPORATE HQ OFFICE ENERGY USE (KWH/SQFT)

	BLDG 1	BLDG 2	BLDG 4
<b>FY19 KWH/SQFT (FY)</b>	12.68	6.71	11.725
<b>FY19 KWH/SQFT (DAY)</b>	0.03475	0.01839	0.03212
<b>FY20 KWH/SQFT (FY)</b>	12.17	6.30	11.18
<b>FY20 KWH/SQFT (DAY)</b>	0.03334	0.01726	0.03063
<b>ENERGY INTENSITY (FY20)</b>			
<b>ENERGY USAGE</b>	11,058,986.3 (total kWh all buildings tracked)		
<b>REVENUE (\$)</b>	2,133,000,000		
<b>KWH/\$</b>	0.00518		

\*Note this shows energy intensity based on usage of corporate headquarters, Moreno Valley distribution center, and monitored retail store locations.

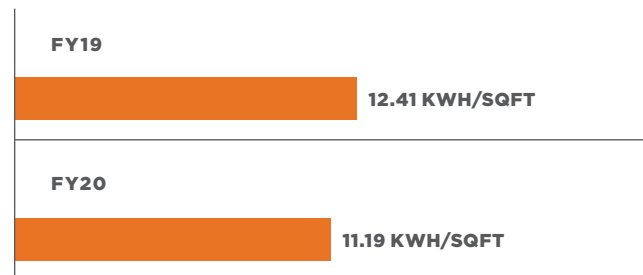
ENVIRONMENT

# CLIMATE AND CLEAN ENERGY (CONTINUED)

## FLAGSTAFF CORPORATE OFFICE LOCATION

We also continued to track energy consumption at our Flagstaff Arizona corporate office. In FY20 our Flagstaff corporate office averaged approximately 11.19 kWh/Sqft (FY) or 0.03 kWh/Sqft (Day).

**FY20 FLAGSTAFF CORPORATE OFFICE ENERGY USE (KWH/SQFT)**



## DISTRIBUTION CENTER

Our Moreno Valley Distribution Center is also a LEED certified Silver location and has installed 120 solar panels helping to offset electric energy usage. The facility is also equipped with operating systems that go into an energy conservation mode when the operation senses a certain amount of inactivity, only applying the minimum amount of electricity required across all areas of fulfillment.

	DC LOCATION	
	MV	MV % SPLIT
<b>FY20 SOLAR KW</b>	1,008,276	12%
<b>FY20 ELECTRIC KW</b>	7,123,952	88%
<b>TOTAL</b>	<b>8,132,228</b>	<b>100%</b>

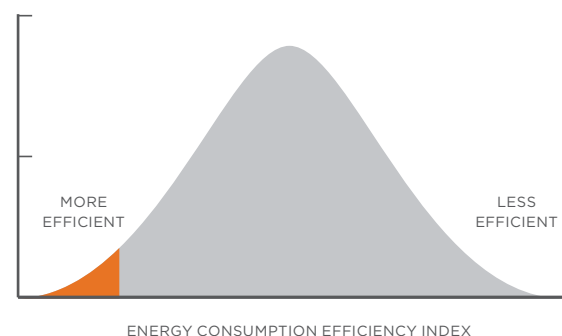
\*Note, in FY20 we closed our Camarillo distribution center location.



## HONG KONG OFFICE

Our commitment to energy efficiency runs through each of our global locations as well. Deckers' Hong Kong office utilizes 90% less energy when compared to other offices in its subgroup. It also utilizes LED lights, low energy appliances, and takes advantage of natural light, reducing the need use electricity during the day.

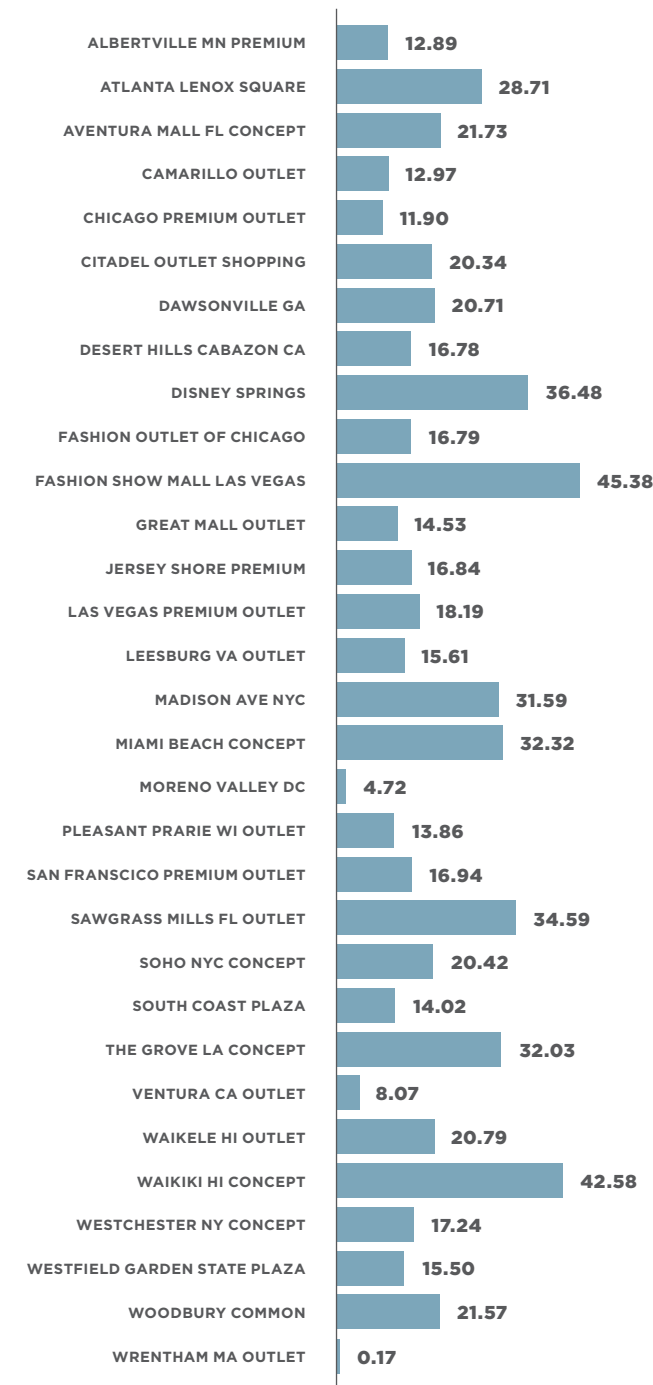
**ANNUAL ENERGY CONSUMPTION PER AREA**



## RETAIL STORE LOCATIONS

In FY20 we continued tracking energy usage at the U.S. retail store locations where we are responsible for utility invoices. Some U.S. stores, as well as all of our international stores, have landlord tenant relationships where the landlord is responsible for payment of utilities and, as such, we do not have visibility into energy usage at those locations.

**FY20 U.S. RETAIL STORE ENERGY USE (KWH/SQFT)**





ENVIRONMENT

# CLIMATE AND CLEAN ENERGY (CONTINUED)

## SUPPLY CHAIN ENERGY CONSUMPTION

In FY20 we exceeded our 10% reduction target for Tier 1 footwear facilities, reducing their energy usage by 30%. We monitored our Tier 2 bottom suppliers and tanneries, but unfortunately their usage increased in FY20. We attribute this increase to the five new bottom suppliers who participated in our monitoring program. In FY21 we look forward to working with our supply chain partners to reduce their energy consumption by 10%.

FACILITY CATEGORY	TIER 1 FOOTWEAR FACTORIES	TIER 2 BOTTOM SUPPLIERS
<b>UNITS</b>	Kwhe/pair	L/PAIR
<b>FY18</b>	2.60	1.07
<b>FY18 FACILITIES MONITORED</b>	14	6
<b>FY19</b>	2.90	0.82
<b>FY19 FACILITIES MONITORED</b>	13	6
<b>FY20</b>	2.03	2.64
<b>FY20 FACILITIES MONITORED</b>	14	8
<b>STATUS</b>	√	X
<b>FY22 TARGET</b>	Reduce energy consumption among T1 partners by 10% and T2 bottom partners by 5%	

\*Five of the eight bottom suppliers were new and are the highest consumers of energy which affected overall numbers and raised our usage in FY20.


FACILITY CATEGORY	TIER 2 TANNERIES		
	C (RAW HIDE/SKIN TO FINISHED LEATHER)	D (TANNED HIDE/SKIN TO FINISHED LEATHER)	F (TANNED HIDE/SKIN TO CRUST LEATHER)
<b>FACILITY NUMBER</b>	2	6	1
<b>UNITS</b>	MJm2	MJm2	MJm2
<b>FY20</b>	32.96	23.24	19.55
<b>STATUS</b>	√	√	√
<b>FY22 TARGET</b>	All tanneries are Leather Working Group Certified Gold (highest rating). Our goal is to continue monitoring them so that they maintain their Gold level rating and maintain industry best practices.		

\*In FY20 we revised our tracking formulas from Kwhe/pair to LTR/M<sup>2</sup>. This aligns with Leather Working Group and will allow us to easily transition when we evolve our raw materials LCA to include production.

\*'C', 'D', 'F' refer to LEATHER WORKING GROUP tannery categories. Category C is referring to raw hide/skin to finished leather, Category D is referring to tanned hide/skin to finished leather and Category F is referring to tanned hide/skin to crust leather.

WELCOME

# MATERIALS




**MATERIALS**

INCORPORATE MORE CERTIFIED RESPONSIBLE AND SUSTAINABLE MATERIALS IN OUR PRODUCTS (INCLUDING RECYCLED, RENEWABLE, REGENERATED, AND NATURAL), REDUCING OUR PRODUCT FOOTPRINT BY 50%.

TARGETS	FY20 PROGRESS
<ul style="list-style-type: none"> <li>Baseline all footwear materials footprint from all material categories including waste production and methods of waste disposal FY21</li> <li>Material categories include:                             <ul style="list-style-type: none"> <li>Closures</li> <li>Components</li> <li>Leather</li> <li>Midssole</li> <li>Outsole</li> <li>Packaging</li> <li>Sheepskin</li> <li>Synthetic</li> <li>Textiles</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Tool selected and questionnaire deployed to suppliers</li> <li>Packaging category LCA completed with new tool</li> <li>Leather and sheepskin environmental study completed</li> <li>Wool fiber LCA completed with new tool</li> </ul>
100% of our hides/skins will be finished in Leather Working Group rated tanneries	<ul style="list-style-type: none"> <li>97.33% of hides/skins sourced from Leather Working Group Certified Tanneries within our leather and sheepskin material categories</li> <li>100% of sheepskin sourced via Leather Working Group certified tanneries within our sheepskin material category</li> <li>Licensee and Agents (used for non-footwear products) have committed to sourcing 100% LWG certified by 2021</li> </ul>
A PFC-free supply chain by 2021	PFC free supply chain achieved for Tier 1 and Tier 2
100% down used in all our product (including licensee and agents) Responsible Down Standard (RDS) certified	100% of down used in Deckers products RDS certified
All cotton fiber will be sourced from farms that utilize sustainable crop growing practices or from recycled cotton within all material categories	<ul style="list-style-type: none"> <li>Do not source from Turkmenistan or Uzbekistan due to practice of forced labor</li> <li>BCI cotton and recycled cotton showing up on our fiber baseline for the first time</li> </ul>

TARGETS	FY20 PROGRESS
100% compliance with our Ethical Sourcing and Animal Welfare Policy	<ul style="list-style-type: none"> <li>100% compliance in footwear leathers and sheepskin categories</li> <li>Some Licensees and Agents (used for non-footwear products) were not sourcing a portion of their leathers from Leather Working Group certified tanneries – required per policy. Licensees and Agents provided with notice and we anticipate full compliance by FY21</li> </ul>
Trace 85% of cattle hide and sheepskin back to processing facility within the leather and sheepskin material categories	<ul style="list-style-type: none"> <li>Traced 97.33% of our hides/skins back to processing facility within the leather and sheepskin material categories</li> <li>100% of sheepskin sourced via Leather Working Group certified tanneries within the sheepskin material category</li> </ul>
Trace 100% of all hides/skins back to the country of origin within the leather and sheepskin material categories	97.3% of hides/skins traced to country of origin within the leather and sheepskin material categories

	
TARGETS	FY20 PROGRESS
Eliminate virgin wool or ensure that virgin wool usage is Responsible Wool Certified Wool	98.31% of UGG wool (used in its footwear products) is repurposed and 1.69% is virgin wool, with a commitment to either eliminate its virgin wool usage in our footwear entirely or ensuring that its virgin wool is Responsible Wool Standard (RWS) certified by 2022
Replace 80% of all faux fur with plant based faux fur or recycled synthetic fibers within all material categories	Developed first ever 100% plant based faux fur and scrim from FSC regenerated eucalyptus pulp with planned introduction in FY21
70% of all internal or reinforcement materials are sourced from a nominated supplier	Target set
Increase use of recycled, repurposed, regenerated (plant based), renewable (bio based), and certified/ preferred natural fibers by 35% among all material categories	<ul style="list-style-type: none"> <li>Increase in recycled synthetic fibers and Lyocell.</li> <li>Introduction of preferred natural fibers (hemp and jute)</li> </ul>
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles
Reduce 35% of waste produced in the production of midsoles and outsoles	Target set
Reduce or maintain (+/- 2%) environmental impact per pair among all packaging materials	<ul style="list-style-type: none"> <li>Packaging LCA completed</li> <li>When comparing FY19 to FY20, UGG saw a decrease in packaging dunnage by 9.02%, decrease in GHG emissions by 4.85%, water usage reduction by 26.48%, Fossil Fuel reduction of 14.22% and eutrophication decreased by 13.50%</li> </ul>

WELCOME

# MATERIALS (CONTINUED)

**MATERIALS (CONTINUED)**

INCORPORATE MORE CERTIFIED RESPONSIBLE AND SUSTAINABLE MATERIALS IN OUR PRODUCTS (INCLUDING RECYCLED, RENEWABLE, REGENERATED, AND NATURAL), REDUCING OUR PRODUCT FOOTPRINT BY 50%.

TARGETS	FY20 PROGRESS
Increase use of recycled, repurposed, regenerated (plant based), renewable (bio based), and natural fibers by 30% among all fibers and 50% within textile category	In FY20 of the polyester HOKA used, 29.57% was recycled polyester
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category FY21	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles
Reduce waste by 20% and divert 50% of waste produced in the production of midsoles and outsoles	Target set
Reduce or maintain (+/-2%) environmental impact per pair among all packaging materials	<ul style="list-style-type: none"> <li>▪ Packaging LCA revised</li> <li>▪ When comparing FY19 to FY20, HOKA saw an increase in packaging dunnage (per pair) by 2.20%, increase in GHG emissions by 1.44%, water usage reduction by 4.27%, Fossil Fuel increase of 0.08% and eutrophication decreased by 1.06%</li> </ul>

TARGETS	FY20 PROGRESS
Utilize UNIFI REPREVE rPET in all iconic straps	100% of Teva's iconic polyester straps are made from UNIFI REPREVE rPET
50% of all other (non-webbing) materials that use synthetic fibers within the closure, components, textiles and synthetics material categories will be replaced with recycled, renewable and/or natural versions	Target set. Teva introduced more recycled materials within all material categories. Experimenting and testing reconstituted leather uppers
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category	Target set. Questionnaire deployed for lean manufacturing study for all midsoles and outsoles
Reduce 50% of waste produced in the production of midsoles and outsoles	Target set
Reduce or maintain (+/- 2%) environmental impact per pair among all packaging materials and remove all footwear polybags	<ul style="list-style-type: none"> <li>▪ Packaging LCA revised</li> <li>▪ When comparing FY19 to FY20, Teva saw a decrease in packaging dunnage (per pair) by 24.64%, decrease in GHG emissions by 24.79%, water usage reduction by 26.48%, Fossil Fuel reduction of 26.82% and eutrophication decreased by 26.17%</li> <li>▪ Third-party testing performed on ship in own container packaging, ready for deployment</li> </ul>

TARGETS	FY20 PROGRESS
Introduce more responsible cotton sourced from farms that utilize sustainable crop growing practices or from recycled cotton	No cotton sourced from Turkmenistan or Uzbekistan due to practice of forced labor. 6.89% of cotton sourced for Sanuk brand is BCI certified
Increase use of recycled, repurposed, regenerated (plant based), renewable (bio based), and certified/preferred natural fibers by 60% among all material categories	Increase in preferred fibers, such as hemp, linen, jute, recycled polyester and recycled cotton. Incorporated recycled content and natural substrates within their midsoles and outsoles. Experimenting and testing with more recycled materials
Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles
Reduce 30% of waste produced in the production of midsoles and outsoles	Target set
Reduce or maintain (+/- 2%) environmental impact per pair among all packaging materials and remove all footwear polybags	<ul style="list-style-type: none"> <li>▪ Packaging LCA revised</li> <li>▪ When comparing FY19 to FY20, Sanuk saw a decrease in packaging dunnage (per pair) by 10.71%, decrease in GHG emissions by 6.49%, water usage reduction by 27.48%, Fossil Fuel reduction of 18.39% and eutrophication decreased by 20.71%</li> <li>▪ Polybag removal concept conceptualized in FY20. Experimenting and testing ship in own container packaging to remove polybags and plastic hangers from Sanuk's product line. Initial development of paper hangers</li> </ul>

ENVIRONMENT

# MATERIALS (CONTINUED)

## OUR APPROACH

We strive to incorporate more responsibly certified and sustainable materials in our products (including preferred, recycled, renewable, regenerated, and natural materials). When we understand what our products are made of and where they come from, it allows us to make better sourcing decisions, guiding our brands toward more sustainable material selections.

Our lifecycle assessment tool enables us to understand valuable environmental impact metrics, allowing us to evaluate the entire footprint of each of our materials. The environmental impact metrics we study are Fossil Fuel (MJ), Greenhouse Gas Emission with Carbon Uptake (lbs. CO2 eq), Water Usage (Gallons of Water), Mineral Resource Depletion (lbs. of minerals), and Freshwater Eutrophication (lbs. of PO4). We believe that each of the environmental impact metrics we study are important to evaluate as they all represent the health and vitality of the planet. They also affect many of our SDGs.

## PRODUCT MATERIALS

### MATERIALS TRACEABILITY EFFORTS

Knowing where our hides originate allows us to source more responsibly. In FY20, 97.33% of the leather supply we source for our footwear came from Leather Working Group (LWG) certified tanneries. LWG promotes sustainable and environmentally friendly business practices within the leather industry. 100% of the sheepskin we used in our footwear was sourced through LWG certified tanneries. All licensees and agents will be required to use LWG certified leathers in our products by 2021.

We have surpassed our traceability target for sheepskin, tracing 100% of our sheepskin for footwear back to the processing facility. We were above our traceability target for bovine full-grain leather for footwear, tracing 93.19% back to the processing facility.



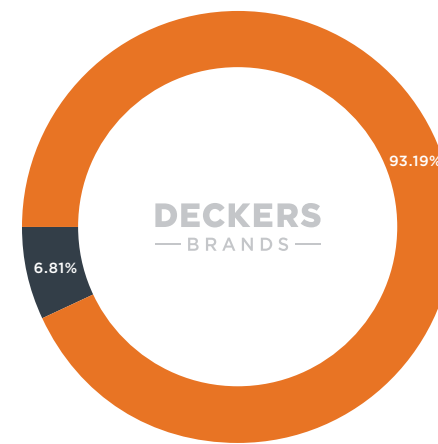
### FY21 AND BEYOND MATERIALS TRACEABILITY TARGETS

In FY21 we anticipate tracing 85% of all cattle hide and sheepskin back to the processing facility within the leather and sheepskin materials categories and 100% of all hides/skin back to the country of origin within the leather and sheepskin material categories.

### COUNTRY OF ORIGIN TRACEABILITY

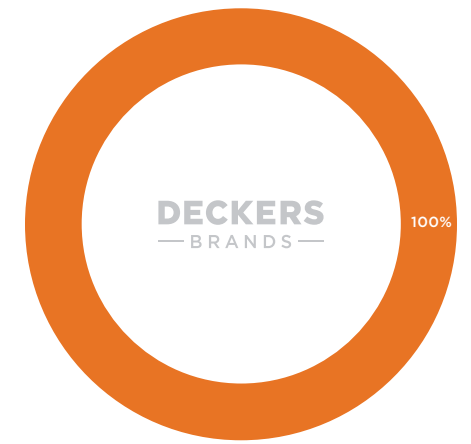
Our hides are a byproduct of the meat industry and, as such, our dealings are with the processing facility and not the farming operations. Although this presents certain challenges, we are committed to doing our due diligence to trace our hides back to their country of origin. In FY20, the vast majority of our hides came from the United States, Australia, and the United Kingdom. Knowing where our hides originate allows us to avoid sourcing from countries that contribute to deforestation, participate in live transport, or other animal welfare abuses.

FY20 BOVINE FULL GRAIN LEVELS OF TRACEABILITY



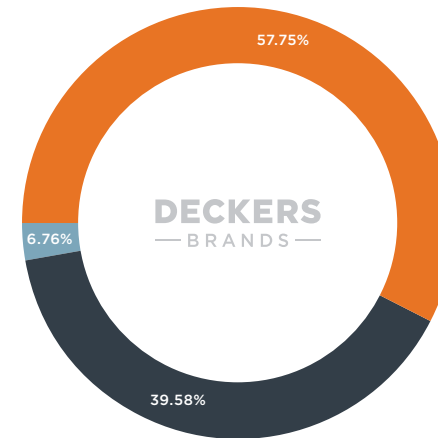
- TRACEABLE TO PROCESSING FACILITY
- TRACEABLE TO COUNTRY OF ORIGIN

FY20 SHEEPSKIN TRACEABILITY



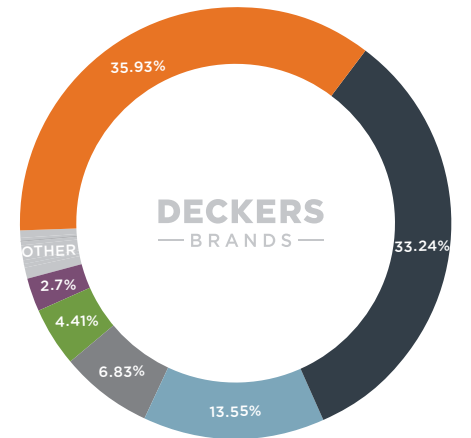
- TRACEABLE TO PROCESSING FACILITY

FY20 ANIMAL HIDES TRACEABILITY LEVELS



- TRACEABLE TO PROCESSING FACILITY
- TRACEABLE TO COUNTRY OF ORIGIN
- NOT TRACEABLE

FY20 COUNTRY OF ORIGIN TRACEABILITY (ALL HIDES: SHEEP/COW/GOAT/PIG/WATER BUFFALO)



- 35.93% UNITED STATES
- 33.24% AUSTRALIA
- 13.55% UNITED KINGDOM
- 6.83% ARGENTINA
- 4.41% JAPAN
- 2.7% UNKNOWN
- 3.35% OTHER:
  - 0.97% INDIA
  - 0.84% BRAZIL
  - 0.33% SPAIN
  - 0.27% NIGERIA
  - 0.24% INDONESIA
  - 0.21% ETHIOPIA
  - 0.18% FRANCE
  - 0.14% VIETNAM
  - 0.11% SOUTH AFRICA
  - 0.02% NETHERLANDS
  - 0.03% RUSSIAN FEDERATION
  - 0.01% CHINA



ENVIRONMENT

# MATERIALS (CONTINUED)

## FY20 FIBER USAGE UPDATE

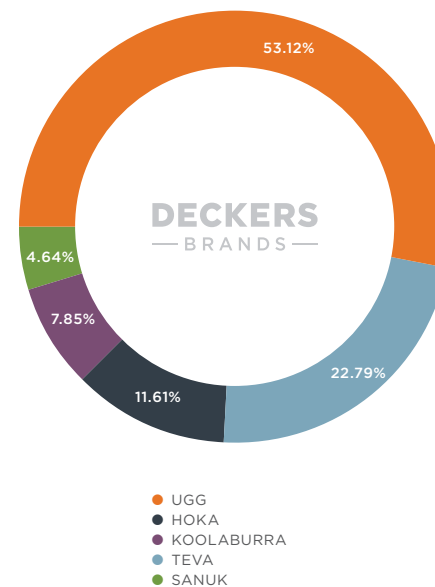
We continued to track our fiber usage baseline, both at the organization level and at the brand level. And successfully, we saw movement in categories of more sustainable materials as a result of increased awareness, guidance and education. To date, our Fiber Baseline Study has included the textile material category only but, in FY21, we will be able to report all types of fibers that live within all material categories. Some significant materials related achievements to note:

- In FY20, of all polyester used by Deckers **20.87% was recycled polyester.**
- In FY20, of all the cotton used by Deckers **nearly 1.40% was BCI cotton.**
- In FY20, of all the wool used by Deckers **97.96% was repurposed wool.**

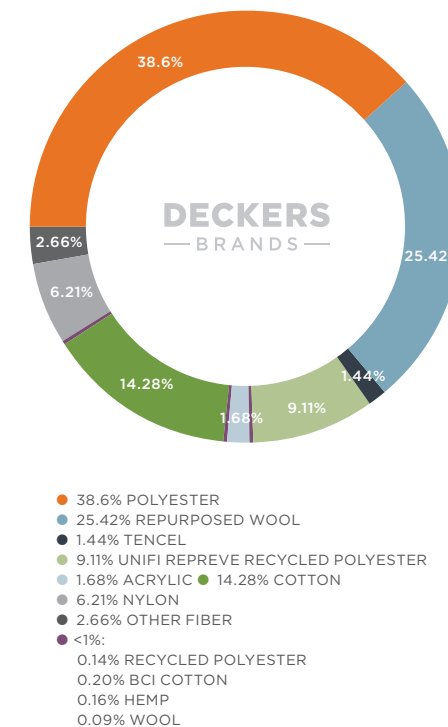
*Note: these translate to more at the brand level*

Presently, our Fiber Baseline Study has only included the textile material category. In FY21, we will be able to report all types of fibers that live within all material categories.

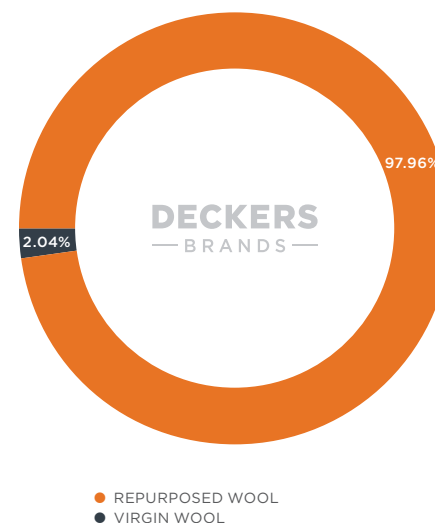
**FY20 DECKERS TEXTILE FIBER WEIGHT USAGE BY BRAND**



**FY20 DECKERS FIBER USAGE BREAKDOWN (TEXTILE CATEGORY AND UGGpure)**



**FY20 DECKERS WOOL FIBER BREAKDOWN**



ENVIRONMENT

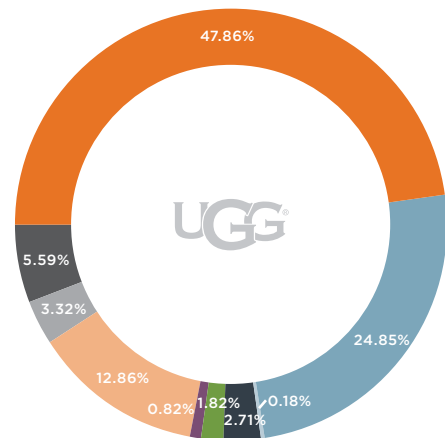
MATERIALS (CONTINUED)

DECKERS WOOL BREAKDOWN

UGG

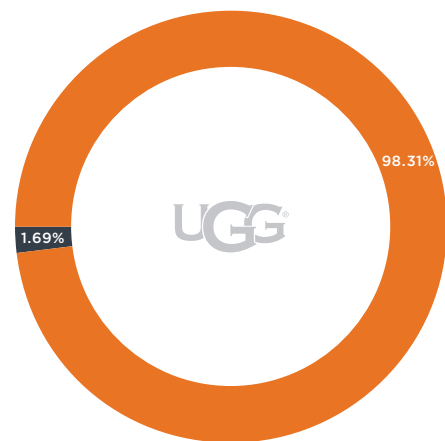
UGG makes up over 53% by weight of our total fiber consumption within the textile material category. UGG continued to decrease its use of virgin wool, introducing more plant-based materials like Lyocell. Virgin wool (wool shorn from live sheep) represents only 0.82% of UGG's total fiber usage. Of the wool fibers, UGG uses only 1.69% of virgin wool while the rest is repurposed into UGGpure technology. UGGpure is comprised of the wool that is sheared from the hides that we already use in our twinface sheepskin product. UGG has started to introduce recycled polyester into the line and have contributed to over 55 metric tons of recycled polyester, the equivalent of 3.2 million plastic PET water bottles. We expect this number to grow exponentially in the coming years.

FY20 UGG TEXTILE FIBER USAGE BREAKDOWN



- 47.86% REPURPOSED WOOL
- 24.85% POLYESTER
- 0.18% RECYCLED POLYESTER
- 2.71% TENCEL
- 1.82% UNIFIREPREVE RECYCLED POLYESTER
- 0.82% WOOL
- 12.86% COTTON
- 3.32% NYLON
- 5.59% OTHER FIBER

FY20 UGG WOOL FIBER BREAKDOWN

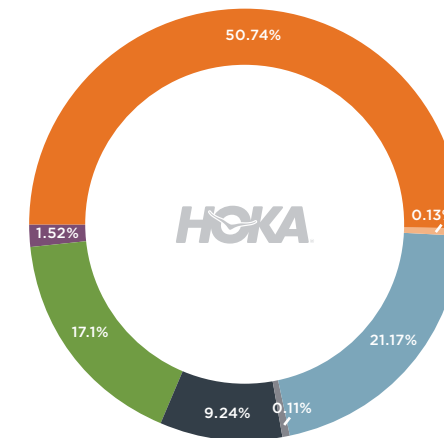


- REPURPOSED WOOL
- VIRGIN WOOL

HOKA

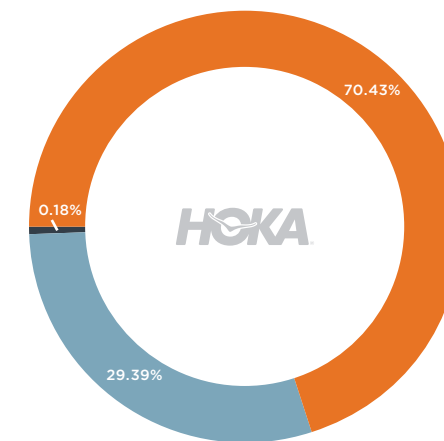
HOKA makes up about 22.8% by weight of our total fiber consumption within the textile material category. HOKA saw an increase in its use of UNIFI REPREEVE recycled polyester from 0% in FY19 to 21.30% in FY20. Of all polyester used in the textile category, HOKA utilizes 29.57% of recycled polyester. In FY20, HOKA used nearly 253 metric tons of recycled polyester within their textiles, the equivalent of 14.9 million plastic PET water bottles. We are proud of the HOKA team's commitment to use more recycled polyester in their product.

FY20 DECKERS TEXTILE FIBER WEIGHT USAGE BY BRAND



- 50.74% POLYESTER
- 0.13% RECYCLED POLYESTER
- 21.17% UNIFIREPREVE RECYCLED POLYESTER
- 0.11% WOOL
- 9.24% COTTON
- 17.1% NYLON
- 1.52% OTHER FIBER

FY20 HOKA POLYESTER FIBER USAGE BREAKDOWN



- POLYESTER
- UNIFIREPREVE RECYCLED POLYESTER
- RECYCLED POLYESTER

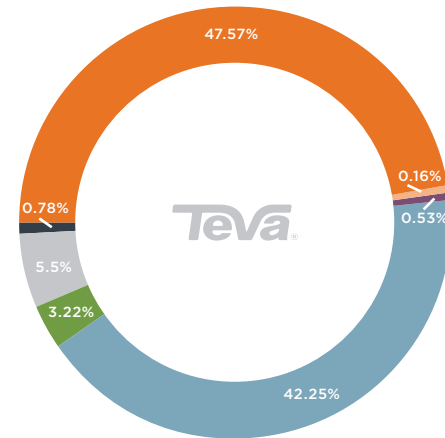
ENVIRONMENT

MATERIALS (CONTINUED)

TEVA

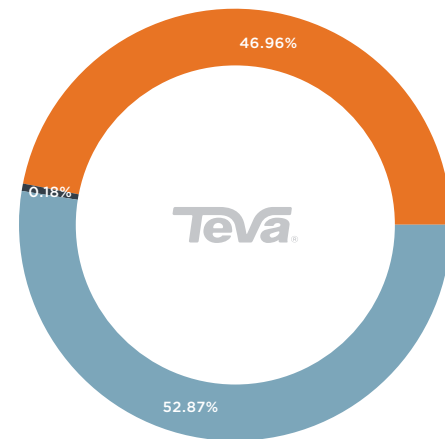
Teva makes up about 7.85% by weight of our total fiber consumption within the textile material category. Teva saw an increase in the use of recycled polyester (42.25% in FY20 v. 12.69% in FY19). This is a direct result of the brands commitment to make 100% of Teva iconic straps out of recycled polyester. Of all polyester used in the textile category, Teva utilizes 47.14% of recycled polyester. In FY20, Teva used over 173 metric tons of recycled polyester within their textiles, the equivalent of 10.2 million plastic PET water bottles.

FY20 TEVA FIBER USAGE BREAKDOWN



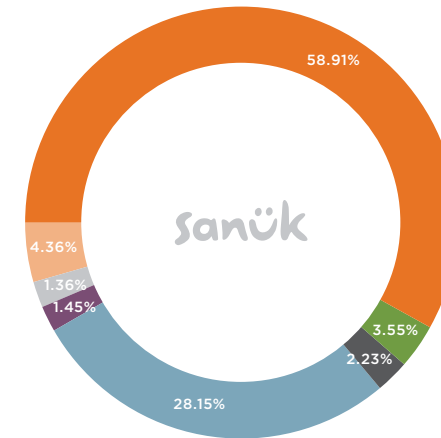
- 47.57% POLYESTER
- 0.16% RECYCLED POLYESTER
- 0.53% REPURPOSED WOOL
- 42.25% UNIFIREPREVE RECYCLED POLYESTER
- 3.22% COTTON
- 5.5% NYLON
- 0.78% OTHER FIBER

FY20 TEVA POLYESTER FIBER BREAKDOWN



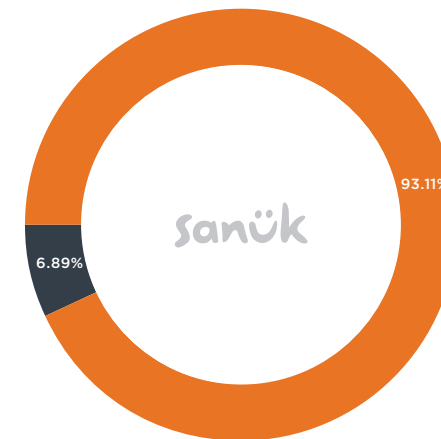
- UNIFIREPREVE POLYESTER
- POLYESTER
- RECYCLED POLYESTER

FY20 SANUK FIBER USAGE BREAKDOWN



- 4.36% BCI COTTON
- 58.91% COTTON
- 3.55% HEMP
- 2.23% OTHER FIBER
- 28.15% POLYESTER
- 1.45% WOOL
- 1.36% ACRYLIC

FY20 SANUK COTTON TEXTILE FIBER BREAKDOWN



- COTTON
- BCI COTTON

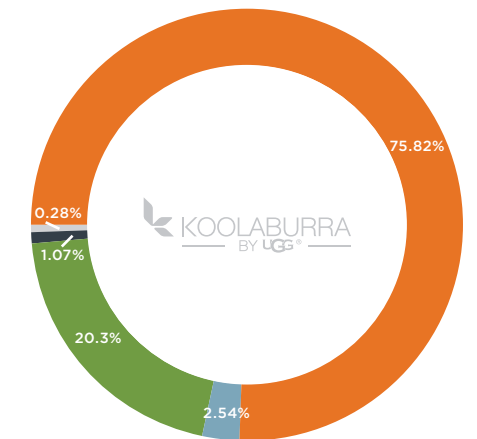
SANUK

Sanuk makes up about 4.6% by weight of Deckers total fiber consumption within the textile material category. Cotton is Sanuk's largest textile used. In FY20, 6.89% of cotton used was BCI cotton, compared to 0% in FY19. We expect this percentage to increase in FY21, as the brand has committed to utilizing suppliers that predominantly support BCI cotton. Sanuk is utilizing a wider range of preferred natural fibers such as hemp, linen, ramie and jute across all material categories. In FY19, Sanuk was using 0.24% hemp which increased to 3.55% in FY20.

KOOLABURRA

Koolaburra makes up about 11.6% by weight of our total fiber consumption within the textile material category. We continuously evolve our fiber usage for Koolaburra. Koolaburra is our youngest brand and has enormous potential to evolve in its sustainability journey. In FY20 we saw improvement in traceability, and the brand used more nominated suppliers instead of factory sourced suppliers. We plan to continue monitoring Koolaburra and anticipate an improvement in the brand's overall fiber usage by FY22.

FY20 KOOLABURRA FIBER USAGE BREAKDOWN



- POLYESTER
- ACRYLIC
- COTTON
- NYLON
- OTHER FIBERS

## ENVIRONMENT

## MATERIALS (CONTINUED)

## CONFLICT MINERALS

Deckers is a publicly traded company registered in the U.S. under the New York Stock Exchange. As such, we comply with the U.S. Securities and Exchange Commission's law regarding the use and disclosure of conflict minerals. The Dodd-Frank Wall Street Reform and Consumer Protection Act addresses the exploitation and trade of conflict minerals (tin, tungsten, tantalum, and gold) by armed groups supporting violence in the Democratic Republic of Congo or adjoining countries. Each year we conduct a country of origin analysis of our products to ensure the tin, tungsten, tantalum and gold used in our hardware are not sourced from such territories.

## DEFORESTATION

We are determined to be part of the solution to deforestation, not to contribute to the problem. We track a majority of hides back to their country of origin so we can avoid countries who are known to contribute to deforestation. We source a small amount of cattle hides from Brazil. Our **ETHICAL SOURCING AND ANIMAL WELFARE POLICY** requires all tanneries supplying finished leather (cattle hides) to Deckers originating from Brazil are required to provide a Leather Working Group audit report demonstrating for this country of origin a 100% traceability to the processing facility, including the date of processing. The tannery must also obtain a certificate from the respective processing facility attesting they have a monitoring system in place to ensure the cattle is not sourced from farms with deforested areas, involved in rural conflicts, with labor analogous to slavery or invasion of indigenous and protected areas.

## ANIMAL WELFARE

We do not believe in the exploitation or killing of animals solely for the purpose of their fur. To ensure this, we have a strict **ETHICAL SOURCING AND ANIMAL WELFARE POLICY** which affirms our position that we will only use fur which is a byproduct of the meat industry.

The meat industry purchases animals from a farmer, the tanneries purchase hides directly from the meat processing facilities, and we buy directly from those tanneries. All of the tanneries we purchase from (with the exception of some low volume UGG lifestyle and Koolaburra product) are Leather Working Group Certified tanneries meaning they adhere to strict environmental compliance expectations and traceability requirements.

## LEATHER

Our **ETHICAL SOURCING AND ANIMAL WELFARE POLICY** only allows us to use cow, sheep, pig, goat and water buffalo, all of which are raised for their meat. Approximately 98% of the value of the animal is its meat while only 2% is attributed to its hide. Given the low value of the hide, historically it has often been disposed of inappropriately, often contaminating waterways. While we recognize that not all consumers eat meat, we do believe that the ones who do believe in doing so responsibly. By only using hides which are a byproduct of the meat industry we are ensuring that the entire animal is used.

There is also a sustainability component of real leather. Without the leather industry, nearly 2 billion pounds of unused cattle hides would be diverted to landfills annually. Real leather is naturally biodegradable and may degrade in less than 50 years, while it could take up to 500 years for synthetic materials derived from petrochemicals to degrade (according to **USLEATHER.ORG**).

## WOOL

The wool used in our product is almost entirely repurposed. We use the wool that comes off the hide used to make our twinface sheepskin products — a live animal is not being sheared. Additionally, of the wool used by the UGG brand, only 1.69% is virgin and 98.31% is repurposed. In FY20 we introduced UGGplush™, which is our UGGpure® wool (wool harvested off our twinface sheepskin) and plant based Lyocell woven into a recycled polyester backing. This has reduced UGG's virgin wool usage (in its footwear category) and the brand is committed to either eliminating its virgin wool usage in its footwear entirely or ensuring that its virgin wool is Responsible Wool Standard (RWS) certified by 2022.

We are committed to complete transparency in our use of animal products, and we hope our consumers see our commitment to using animal product in the most responsible way possible.



ENVIRONMENT

# MATERIALS (CONTINUED)

## RESPONSIBLE-PREFERRED MATERIALS

Deckers continues to seek the most sustainable materials for our products. Our material suppliers play a key role in helping us achieve our materials related SDGs and we challenge them to join in our commitment. They have been offering preferred synthetics (e.g. recycled polyester, recycled nylon, recycled polyethylene, and biobased ethylene), preferred regenerated or man-made cellulosic fibers (e.g. Lyocell), preferred plant fibers (e.g. Better Cotton Initiative cotton, hemp, linen, ramie and jute), Preferred Wool (e.g. UGGpure repurposed wool), and Preferred Down (e.g. Responsible Down certified). Below is a list of responsible-preferred materials supported by our brands: all of which are currently used in our product portfolio.

### BETTER COTTON

We are dedicated to seeking sustainable alternatives for materials. For the last two years we have partnered with the Better Cotton Initiative (BCI). The BCI's mission is to make cotton production better for the planet and the people who are working to produce it. The Sanuk brand is our largest user of cotton and as such, they signed the [SOURCING NETWORK'S TURKMENISTAN AND UZBEKISTAN](#) cotton pledges in FY19. Sanuk is committed to avoiding these regions - for cotton sourcing - due to forced labor practices.



### RESPONSIBLE - REPURPOSED - WOOL

The largest volume material fiber for the UGG brand is repurposed wool which is our UGGpure® proprietary technology. UGGpure is comprised of the wool that is sheared from the hides that we already use in our twinface sheepskin product. By upcycling this material we are reducing waste generation and protecting the welfare of animals.

### RESPONSIBLE WOOL STANDARD CERTIFIED

While the majority of the wool used in our product is repurposed wool we are committed to ensuring that any virgin wool content used in our products will be [RESPONSIBLE WOOL STANDARD CERTIFIED](#) by 2022. The responsible wool standard is an industry tool designed to recognize the best practices of farmers, ensuring that wool comes from farms with a progressive approach to managing their land, and from sheep that have been treated responsibly.



### RESPONSIBLE DOWN

All down used in our products is responsible down standard certified. The [RESPONSIBLE DOWN STANDARD](#) ensures that down feathers used in our products come from animals which have not been subject to unnecessary harm (live plucking).



### RECYCLED POLYESTER (RPET)

rPET is comprised predominantly of plastic water bottles and other recycled PET packaging waste. In FY20, Teva launched its global Strap In To Freedom campaign, announcing that 100% of their iconic straps will be produced with recycled plastic instead of virgin polyester. This step forward shows Teva's commitment to reducing their impact. Collectively our brands have diverted approximately 35 million plastic PET water bottles in FY20.

### LYOCELL

Lyocell is a regenerated cellulosic fiber of botanic origin which helps to maintain environmental balance. Lyocell is produced from sustainability sourced wood using environmentally responsible processes. Additionally, 99% of the solvent-spinning process recycles process water and reuses the solvent at a recovery rate of more than 99%. In FY20, we introduced UGGplush™ which is UGGpure wool combined with a percentage of lyocell woven into a recycled polyester backing. Lyocell is also capable of regulating heat. We hope to increase our use of Lyocell as it replaces our need for virgin wool and synthetic faux fur.

### HEMP

Hemp is an incredibly sustainable and eco-friendly textile. When compared to conventional cotton it saves water, thrives in small spaces, and generally is not known to require the use of pesticides or herbicides. Our Sanuk team continues to utilize hemp in its product and we anticipate this usage to grow in the coming seasons.

### VEGAN PRODUCT

We appreciate each and every one of our consumers and recognize, that just like us, they represent various beliefs and have different needs. When using animal products, we are committed to doing so responsibly by working with partners who abide by our [ETHICAL SOURCING AND ANIMAL WELFARE POLICY](#). We understand that some of our consumers are looking for vegan options to best fit their lifestyle. Our PLG brands (Teva, HOKA, and Sanuk) all offer vegan friendly options. Each of these brands identify vegan products on their respective websites to make it easier for consumers to locate.

ENVIRONMENT

MATERIALS (CONTINUED)



PREFERRED SYNTHETICS

Preferred Synthetics are synthetic fibers that are ecologically and/or socially progressive because they have more sustainable properties in comparison to the conventional options. Synthetics currently defined by Textile Exchange as preferred: recycled polyester, recycled nylon, and potentially biosynthetics.

BIO-BASED SYNTHETICS

A Biosynthetic is made using polymers created from either a part percentage of 100% natural and renewable resource. There are now biobased alternatives for polyester and nylon. Content claim standards include the USDA Certified Biobased Product scheme and the European Standard.

PREFERRED MM CELLULOSICS

Preferred Man Made Cellulosics (pMMCs) are sourced from non-endangered certified forests and are manufactured more sustainably. This means chemicals, water, and energy are properly managed to avoid pollution and human exposure, pMMCs include: Lyocell, Preferred Modal, and Preferred Viscose.

There is currently no third-party industry standard to support the sustainability claims of a pMMC through the processing of pulp and fiber. Chain of Custody from certified feedstocks can be provided by the main forest standards (such as FSC) and through Textile Exchange's Content Claim Standards (CCS).

PREFERRED COTTON

Preferred Cotton (pCotton) is cotton that is ecologically and/or socially progressive because it has more sustainable properties in comparison to other conventional options.

Cotton currently defined by Textile Exchange as preferred include: Recycled, Organic, Fair Trade, Cotton made in Africa (CmiA) cotton, cotton grown to the standards set by the Better Cotton Initiative (BCI and its benchmarked equivalencies), and CottonConnect REEL cotton.

PREFERRED WOOL

Wool defined as preferred includes wool that is grown with a progressive approach to land management, and from sheep that have been treated responsibly.

The Responsible Wool Standard (RWS) is an independent, voluntary standard that includes strict animal welfare criteria, land management, and chain of custody. Wool has been recycled for many years, and this continues to be a strong choice for reducing waste. Wool may also be grown organically.

PREFERRED DOWN

Preferred Down is a down that comes from supply chains that have strong animal welfare principles in place, with zero tolerance for force-feeding and liveplucking.

Preferred Down is down certified to either the Responsible Down Standard or the Traceable Down Standard. The recycling of down and feathers is another option gaining traction.

ENVIRONMENT

MATERIALS (CONTINUED)

LIFECYCLE ASSESSMENT

PRODUCT MATERIALS

In FY20 we engaged a third-party tool to help us conduct a lifecycle assessment of our product materials. We have deployed an extensive questionnaire to all of our Tier 2 suppliers. We anticipate reporting our environmental impact metrics, for the raw materials used in our footwear product, in our FY21 report. In the interim, we produced general material comparisons to show the level of detail that the tool is capable of reporting.

MATERIALS COMPARISONS

Leather Working Group (LWG) Leather vs. Standard Tanning\*

The majority of our leathers are sourced from LWG Gold certified tanneries. In FY20 we used nearly 44 million sq. ft. of leather. We compared our LWG (all levels: gold, silver and bronze) leather usage against the same usage in its conventional standard leather tanning form. By sourcing our sheepskin through LWG certified tanneries, we reduced energy usage by 10.56%, water usage by 40.27%, and mineral depletion by 2.91%. We also reduced our CO2 eq. emissions by 10.56% and reduced phosphates that contribute to freshwater eutrophication by 9.32%. With these savings, we are even more proud of our commitment to utilizing suppliers that are Leather Working Group certified.

LWG Sheepskin vs. Standard Sheepskin\*

In FY20 we used nearly 36 million sq. ft. of sheepskin. We compared our LWG (all levels: gold, silver and bronze) sheepskin usage against the same usage in its conventional standard sheepskin tanning form. Sheepskin requires the additional impacts of scouring, bleaching and dyeing. By sourcing our sheepskin through LWG certified tanneries, we saved 748 million MJs of energy, 26.18 billion gallons of water, and 386,179 lbs. of mineral resources. We also saved 125 million lbs. of CO2 eq. emissions and reduced 409,143 lbs. of phosphates that contribute to freshwater eutrophication.

Raw Repurposed Wool Fiber vs Raw Virgin Market Wool Fiber\*

In FY20, we used 2,925,115 lbs. of repurposed wool within all material categories. Repurposed wool comes from the trimmings of the sheepskin used in our twinface sheepskin product. When comparing conventional virgin market wool usage to the same usage of repurposed wool, we saved 145 million MJs of energy, 9.35 billion gallons of water, and 727,507 lbs. of mineral resource. Additionally, using repurposed wool saved 104 million lbs. of CO2 eq. emissions and reduced 90,450 lbs. of phosphates that contribute to freshwater eutrophication.

Raw RPET Fiber vs Raw Virgin Polyester Fiber (Plastic PET Bottle Waste and other PET Food Grade & Consumer Packaging Waste)\*

In FY20, 1,266,205 lbs. of rPET fiber was used within our textile and UGGpure material categories. rPET comes, most notably, from plastic PET bottles but can also come from other food grade and consumer packaging waste. When comparing the same virgin polyester fiber usage to the rPET fiber usage, we saved 43.3 million MJs of energy, 511 million gallons of water, and 50,926 lbs. of mineral resource. Additionally, we saved 4.7 million lbs. of CO2 eq. from being emitted, and reduced 5,733 lbs. of phosphates that contribute to freshwater eutrophication.

**23.99%**  
OF ENERGY SAVED

**10.56%**  
OF ENERGY SAVED

**145 MILLION MJ**  
OF ENERGY SAVED

**44.3 MILLION MJ**  
OF ENERGY SAVED

**38.9%**  
GALLONS OF WATER SAVED

**40.27%**  
GALLONS OF WATER SAVED

**9.35 BILLION**  
GALLONS OF WATER SAVED

**511 MILLION**  
GALLONS OF WATER SAVED

**22.95%**  
OF CO2 EQ. SAVED

**10.18%**  
OF CO2 EQ. SAVED

**104 MILLION LBS**  
OF CO2 EQ. SAVED

**4.81 MILLION LBS**  
OF CO2 EQ. SAVED

ENVIRONMENT

MATERIALS (CONTINUED)

MATERIALS COMPARISONS (CONTINUED)

BCI Cotton vs. Conventional Cotton\*

Within our textile category, we increased our BCI raw cotton fiber usage to 23,214 lbs. for FY20. This allowed us to save 58 million gallons of water, 147,376 MJ of energy and reduced our CO2 eq. emissions by 38,979 lbs.

**147,376 MJ**  
OF ENERGY SAVED

**58 MILLION**  
GALLONS OF WATER SAVED

**39,979 LBS**  
OF CO2 EQ. SAVED

Conventional Cotton vs. Hemp

Within our textile category, we increased our hemp raw fiber usage to 18,883 lbs. for FY20, allowing us to save 137 million gallons of water, 396,821 MJ of energy and reduced our CO2 eq. emissions by 112,991 lbs. Of those CO2 eq emissions saved, 30,842 lbs. was sequestered.

**396,821 MJ**  
OF ENERGY SAVED

**137 MILLION**  
GALLONS OF WATER SAVED

**112,991 LBS**  
OF CO2 EQ. SAVED

Raw Recycled Polyester Fiber from Factory Waste vs Raw Virgin Polyester Fiber\*

In FY20 we used 16,621 lbs. of raw recycled polyester fiber from Factory Waste instead of Virgin Polyester. This usage saved:

**548,628 MJ**  
OF ENERGY SAVED

**6.55 MILLION**  
GALLONS OF WATER SAVED

**55,362 LBS**  
OF CO2 EQ. SAVED

Raw Jute Fiber vs Raw Conventional Cotton Fiber\*

In FY20 we used 5,390 lbs. of raw jute fiber. This usage saved:

**111,031 MJ**  
OF ENERGY SAVED

**39.09 MILLION**  
GALLONS OF WATER SAVED

**-15,470 LBS**  
OF CO2 EQ.  
NEGATIVE MATERIAL

Raw Recycled Nylon Fiber vs Raw Nylon Fiber\*

In FY20 we used 1,745.98 lbs. of raw recycled nylon fiber. This usage saved:

**93,081 MJ**  
OF ENERGY SAVED

**603,119**  
GALLONS OF WATER SAVED

**18,534 LBS**  
OF CO2 EQ. SAVED

*\*Note, this fiber impact denotes the substrate in its raw form. The impact does not include transportation, manufacturing and finishing of the raw fiber such as fabric making, dyeing, and finishing etc. In FY21 we will expand savings to include both transportation and manufacturing. For more information see raw materials LCA appendix attached.*



ENVIRONMENT

# MATERIALS (CONTINUED)

## 2,326,996 TREES SAVED (FY17-FY20)

*\*Trees saved from FY17-FY19 was 1,731,877. Due to a calculation error in our FY19 Report our numbers, as reported, were incorrect.*

We were able to refresh our packaging materials LCA (as reported in FY19) by using our new tool (a superior tool compared to others on the market). Details of our completed packaging materials lifecycle assessment can be found below.

### PACKAGING MATERIALS

Sustainability must be looked at holistically. Our mission is to not only design product to be more sustainable or use more sustainable materials in our products - product packaging is an important element, as it is the first part of the product to be disposed of by the consumer. For the last 3 years, we have critically looked into our packaging environmental impact.

Packaging is a multi-functional vehicle that holds many purposes. Our product's packaging is used to contain and protect the contents inside, as well as serving as a critical logistical tool throughout our entire supply chain. If all functions of packaging are not met, we risk increasing our environmental footprint by not meeting the expectations of our consumers, thus leading to return shipping, added resources, and loss of consumer loyalty.

In FY18 we performed our first packaging lifecycle assessment (LCA). In FY20 we updated our LCA using our new platform. Details of our revised LCA can be found below but, in short, we are increasing our use of FSC virgin certified paper, taking steps toward removing virgin non-certified paper, and incorporating certified recycled paper in our packaging. We are also decreasing our overall plastic dunnage while increasing our use of recycled plastic. Collectively, in FY20, Deckers total dunnage uses 97.96% paper materials, 1.94% plastic, 0.04% minerals, 0.04% textile and 0% metal.

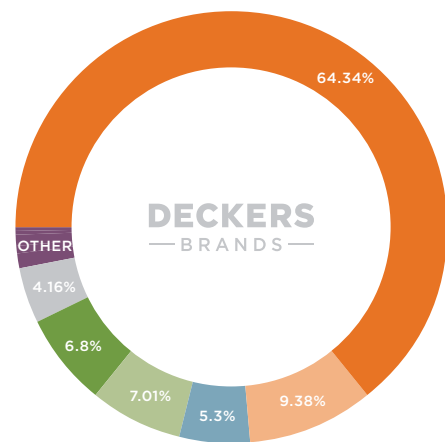
Our dunnage has decreased, per pair, by brand, with the exception of HOKA whose slight increase can be attributed to the explosive demand for HOKA products within the hiking product category. Hiking boots typically yield larger profiles, requiring larger boxes, which leads to more resources used. In FY22, we plan to correct this by reengineering HOKA's primary packaging.

In every LCA category tracked (e.g. greenhouse gas, water usage, fossil fuel, freshwater eutrophication) we have seen environmental savings.

Since the inception of our Packaging Baseline (FY18), Deckers has saved over 26.4 million lbs. of packaging dunnage as a result of the removal and reengineering of our packaging. That equates to 86.4 million lbs. of CO2 eq., 2.22 billion gallons of water, and over 2.56 million gallons of gasoline. Looking at year over year resources saved, we increased our overall reduction impact regardless of the increase in the number of pairs we produced. These metrics reflect raw material impact, their waste generation impact, and transportation.

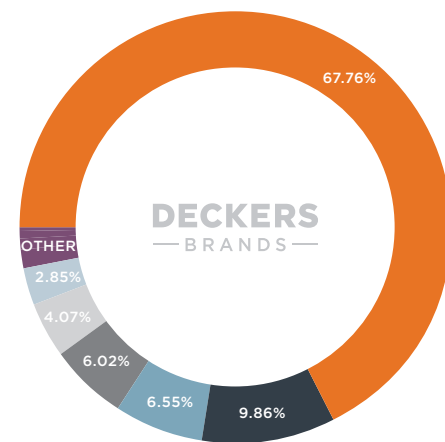
DECKERS TOTAL (UNITS)	PRODUCT PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)	PACKAGING WASTE RESOURCES SAVED (SINCE BASELINE YEAR FY17)	ALL PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE (LBS. OF CO2)</b>	78,881,253.75	7,597,452.60	<b>86,478,706.34</b>
<b>WATER USAGE (GALLONS OF WATER)</b>	1,996,075,614.33	226,558,494.93	<b>2,222,634,109.25</b>
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	2,332,816.59	229,526.71	<b>2,562,343.30</b>
<b>FRESHWATER EUTROPHICATION (LBS. OF PO4)</b>	70,726.16	7,944.44	<b>78,670.60</b>
<b>MINERAL DEPLETION (LBS. OF MINERALS)</b>	899,604.39	47,006.37	<b>946,610.76</b>
<b>REDUCED DUNNAGE (LBS. OF PACKAGING)</b>	23,876,359.47	2,583,421.39	<b>26,459,780.86</b>

FY19 DECKERS PACKAGING SUBSTRATE BREAKDOWN



- 64.34% RECYCLED CORRUGATE BOARD
- 9.38% CORRUGATE BOARD
- 5.3% RECYCLED PULP
- 7.01% RECYCLED PAPERBOARD
- 6.8% PAPERBOARD
- 4.16% PAPER
- OTHER:
  - 1.15% RECYCLED PLASTIC
  - 0.66% RECYCLED PAPER
  - 0.89% PLASTIC
  - 0.2% MINERAL
  - 0.09% TEXTILE
  - 0.02% METAL

FY20 DECKERS PACKAGING SUBSTRATE BREAKDOWN



- 67.76% RECYCLED CORRUGATE BOARD
- 9.86% CORRUGATE BOARD
- 6.55% RECYCLED PULP
- 6.02% RECYCLED PAPERBOARD
- 4.07% PAPERBOARD
- 2.85% PAPER
- OTHER:
  - 1.33% RECYCLED PLASTIC
  - 0.85% RECYCLED PAPER
  - 0.61% PLASTIC
  - 0.04% MINERAL
  - 0.04% TEXTILE
  - 0% METAL

DECKERS TOTAL (UNITS)	FY18 RESOURCES SAVED	FY19 RESOURCES SAVED	FY20 RESOURCES SAVED	TOTAL RESOURCES SAVED TO DATE
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE (LBS. OF CO2)</b>	19,264,706.37	29,931,531.58	37,282,468.40	<b>86,478,706.34</b>
<b>WATER USAGE (GALLONS OF WATER)</b>	494,271,998.24	564,248,347.65	1,164,113,763.36	<b>2,222,634,109.25</b>
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	471,905.63	845,377.61	1,245,060.06	<b>2,562,343.30</b>
<b>FRESHWATER EUTROPHICATION (LBS. OF PO4)</b>	15,635.15	26,205.81	36,829.63	<b>78,670.60</b>
<b>MINERAL DEPLETION (LBS. OF MINERALS)</b>	238,005.78	311,148.75	397,456.22	<b>946,610.76</b>
<b>REDUCED DUNNAGE (LBS. OF PACKAGING)</b>	5,573,075.98	8,913,255.80	11,973,449.08	<b>26,459,780.86</b>

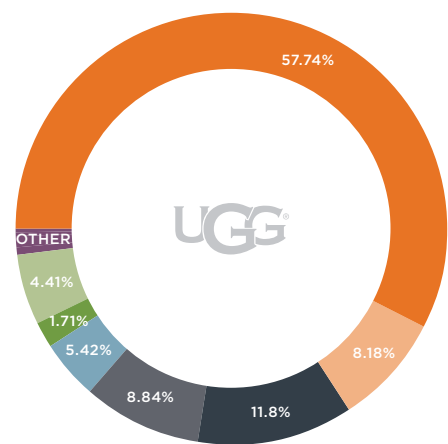
ENVIRONMENT

# MATERIALS (CONTINUED)

## PACKAGING ENVIRONMENTAL SAVINGS BY BRAND

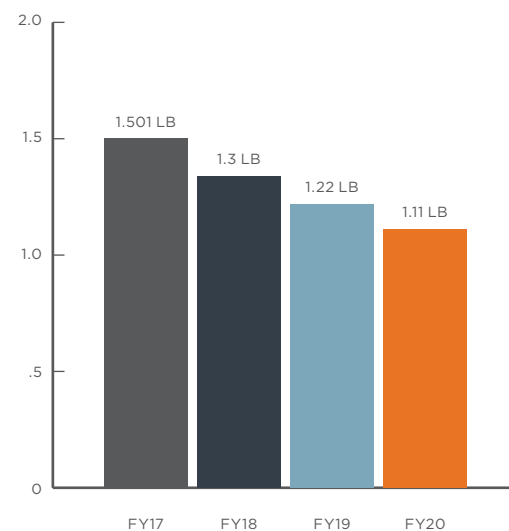
### UGG

FY20 UGG PACKAGING SUBSTRATE BREAKDOWN



- 57.74% RECYCLED CORRUGATE BOARD
- 8.18% CORRUGATE BOARD
- 11.8% PAPERBOARD
- 8.84% RECYCLED PAPERBOARD
- 5.42% RECYCLED PULP
- 4.5% PAPER
- 1.71% RECYCLED PAPER
- OTHER:
  - 0.51% METAL
  - 0.91% PLASTIC
  - 0.26% RECYCLED PLASTIC
  - 0.12% TEXTILE

UGG AVERAGE PACKAGING DUNNAGE (LBS PER PAIR)



**1,716,603 TREES**  
SAVED (FY17-FY20)

*\*Trees saved from FY17-FY19 was 1,308,492. Due to a calculation error in our FY19 Report our numbers, as reported, were incorrect.*

UGG PACKAGING IMPACT/PAIR	FY18	FY19	FY20	FY18 VS FY19 REDUCTION	FY19 VS FY20 REDUCTION
<b>DUNNAGE PER PAIR (LBS)</b>	1.340	1.220	1.110	-8.96%	-9.02%
<b>GHG GAS EMISSIONS WITH UPTAKE (LBS. OF CO2)</b>	4.736	4.353	4.142	-8.09%	-4.85%
<b>WATER USAGE (GALLONS OF WATER)</b>	93.820	91.860	67.540	-2.09%	-26.48%
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	0.119	0.106	0.091	-11.10%	-14.22%
<b>FRESHWATER EUTROPHICATION (LBS. OF PO4)</b>	0.00331	0.00289	0.00250	-12.63%	-13.50%

UGG (UNITS)	PRODUCT PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)	PACKAGING WASTE RESOURCES SAVED (SINCE BASELINE YEAR FY17)	ALL PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE (LBS. OF CO2)</b>	58,453,346.95	5,419,252.68	<b>63,872,599.63</b>
<b>WATER USAGE (GALLONS OF WATER)</b>	1,396,466,436.50	161,414,991.83	<b>1,557,881,428.33</b>
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	1,744,761.11	172,456.67	<b>1,917,217.78</b>
<b>FRESHWATER EUTROPHICATION (LBS. OF PO4)</b>	54,008.83	5,981.76	<b>59,990.59</b>
<b>MINERAL DEPLETION (LBS. OF MINERALS)</b>	674,984.54	33,715.82	<b>708,700.36</b>
<b>REDUCED DUNNAGE (LBS OF PACKAGING)</b>	17,929,347.90	1,890,041.24	<b>19,819,389.13</b>

UGG (UNITS)	FY18 RESOURCES SAVED	FY19 RESOURCES SAVED	FY20 RESOURCES SAVED	TOTAL RESOURCES SAVED TO DATE
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE (LBS OF CO2)</b>	14,495,769.87	23,469,882.02	25,906,947.74	<b>63,872,599.63</b>
<b>WATER USAGE (GALLONS OF WATER)</b>	325,782,525.20	368,136,937.95	863,961,965.18	<b>1,557,881,428.33</b>
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	342,384.60	654,023.35	920,809.84	<b>1,917,217.78</b>
<b>FRESHWATER EUTROPHICATION (LBS OF PO4)</b>	11,240.49	21,099.55	27,650.55	<b>59,990.59</b>
<b>MINERAL DEPLETION (LBS OF MINERALS)</b>	176,652.65	241,494.74	290,552.97	<b>708,700.36</b>
<b>REDUCED DUNNAGE (LBS OF PACKAGING)</b>	4,096,715.88	6,983,045.53	8,739,627.72	<b>19,819,389.13</b>

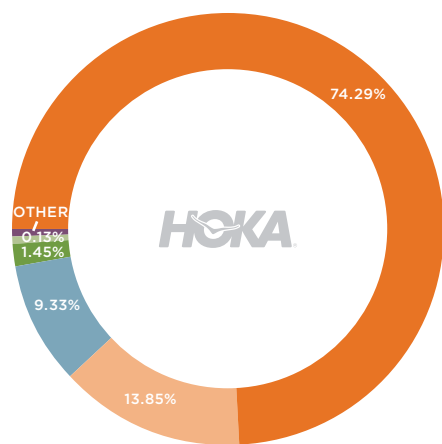
ENVIRONMENT

# MATERIALS (CONTINUED)

## PACKAGING ENVIRONMENTAL SAVINGS BY BRAND (CONTINUED)

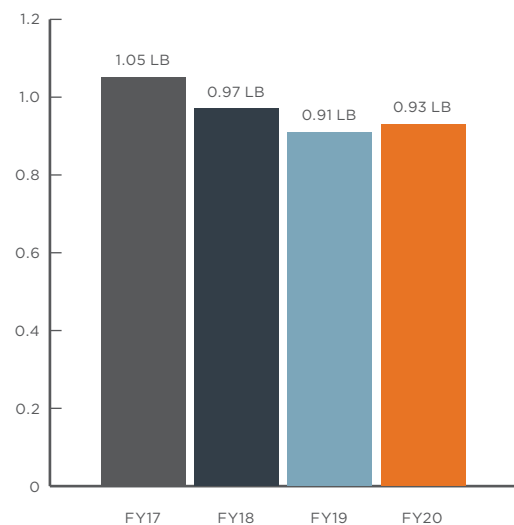
### HOKA

FY20 HOKA PACKAGING SUBSTRATE BREAKDOWN



- 74.29% RECYCLED CORRUGATE BOARD
- 13.85% CORRUGATE BOARD
- 9.33% RECYCLED PULP
- 1.45% PAPER
- 0.13% RECYCLED PAPER
- OTHER: 0.51% PLASTIC, 0.42% RECYCLED PAPER, 0% METAL

HOKA AVERAGE PACKAGING DUNNAGE (LBS PER PAIR)



## 284,978 TREES SAVED (FY17-FY20)

*\*Trees saved from FY17-FY19 was 166,998. Due to a calculation error in our FY19 Report our numbers, as reported, were incorrect.*

HOKA PACKAGING IMPACT/PAIR	FY18	FY19	FY20	FY18 VS FY19 REDUCTION	FY19 VS FY20 REDUCTION
<b>DUNNAGE PER PAIR (LBS)</b>	0.970	0.910	0.930	-6.19%	2.20%
<b>GHG GAS EMISSIONS WITH UPTAKE (LBS OF CO2)</b>	3.293	3.123	3.168	-5.16%	1.44%
<b>WATER USAGE (GALLONS OF WATER)</b>	68.110	65.130	62.350	-4.38%	-4.27%
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	0.090	0.086	0.086	-5.00%	0.08%
<b>FRESHWATER EUTROPHICATION (LBS OF PO4)</b>	0.00248	0.00236	0.00234	-4.73%	-1.06%

HOKA (UNITS)	PRODUCT PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)	PACKAGING WASTE RESOURCES SAVED (SINCE BASELINE YEAR FY17)	ALL PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE (LBS OF CO2)</b>	4,740,412.49	459,833.80	5,200,246.29
<b>WATER USAGE (GALLONS OF WATER)</b>	135,348,492.04	12,986,253.38	148,334,745.42
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	140,102.89	12,467.40	152,570.28
<b>FRESHWATER EUTROPHICATION (LBS OF PO4)</b>	4,213.86	429.71	4,643.58
<b>MINERAL DEPLETION (LBS OF MINERALS)</b>	67,112.80	2,905.48	70,018.27
<b>REDUCED DUNNAGE (LBS OF PACKAGING)</b>	1,468,359.74	163,917.75	1,632,277.50

HOKA (UNITS)	FY18 RESOURCES SAVED	FY19 RESOURCES SAVED	FY20 RESOURCES SAVED	TOTAL RESOURCES SAVED TO DATE
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE (LBS OF CO2)</b>	795,075.56	1,862,667.73	2,542,503.01	5,200,246.29
<b>WATER USAGE (GALLONS OF WATER)</b>	21,284,089.50	43,001,129.51	84,049,526.41	148,334,745.42
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	22,656.30	51,609.21	78,304.77	152,570.28
<b>FRESHWATER EUTROPHICATION (LBS OF PO4)</b>	698.55	1,496.02	2,449.00	4,643.58
<b>MINERAL DEPLETION (LBS OF MINERALS)</b>	13,088.97	22,885.01	34,044.29	70,018.27
<b>REDUCED DUNNAGE (LBS OF PACKAGING)</b>	252,587.85	584,506.98	795,182.67	1,632,277.50

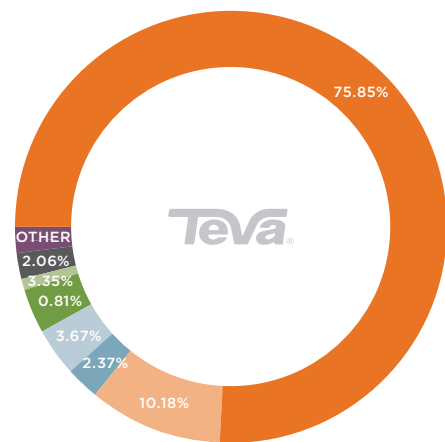
ENVIRONMENT

# MATERIALS (CONTINUED)

## PACKAGING ENVIRONMENTAL SAVINGS BY BRAND (CONTINUED)

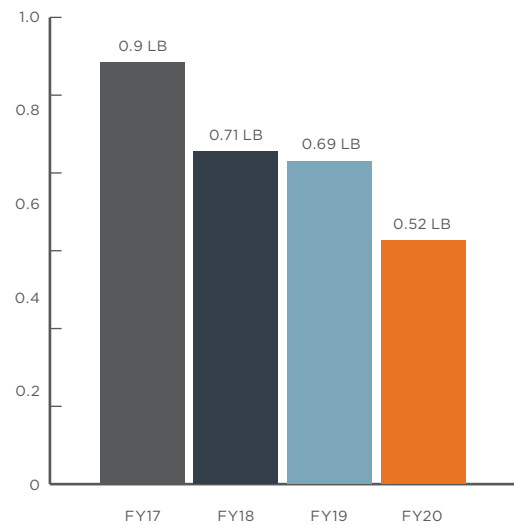
### TEVA

FY20 TEVA PACKAGING SUBSTRATE BREAKDOWN



- 75.85% RECYCLED CORRUGATE BOARD
- 10.18% CORRUGATE BOARD
- 2.37% RECYCLED PAPER
- 3.67% PAPER
- 0.81% PAPERBOARD
- 3.35% RECYCLED PAPERBOARD
- 2.06% RECYCLED PLASTIC
- OTHER: 0.61% PLASTIC
- 0.42% RECYCLED PULP
- 0.01% TEXTILE

TEVA AVERAGE PACKAGING DUNNAGE (LBS PER PAIR)



## 260,353 TREES SAVED (FY17-FY20)

*\*Trees saved from FY17-FY19 was 201,235. Due to a calculation error in our FY19 Report our numbers, as reported, were incorrect.*

TEVA PACKAGING IMPACT/PAIR	FY18	FY19	FY20	FY18 VS FY19 REDUCTION	FY19 VS FY20 REDUCTION
<b>DUNNAGE PER PAIR</b> (LBS)	0.710	0.690	0.520	-2.82%	-24.64%
<b>GHG GAS EMISSIONS WITH UPTAKE</b> (LBS OF CO2)	2.791	2.711	2.039	-2.87%	-24.79%
<b>WATER USAGE</b> (GALLONS OF WATER)	40.760	40.850	29.950	0.22%	-26.68%
<b>FOSSIL FUEL</b> (GALLONS OF ANCIENT PETROL)	0.064	0.062	0.045	-4.21%	-26.82%
<b>FRESHWATER EUTROPHICATION</b> (LBS OF PO4)	0.00168	0.00162	0.00119	-3.99%	-26.17%

TEVA (UNITS)	PRODUCT PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)	PACKAGING WASTE RESOURCES SAVED (SINCE BASELINE YEAR FY17)	ALL PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE</b> (LBS OF CO2)	12,950,737.54	1,551,216.67	14,501,954.21
<b>WATER USAGE</b> (GALLONS OF WATER)	311,481,449.42	37,384,593.08	348,866,042.49
<b>FOSSIL FUEL</b> (GALLONS OF ANCIENT PETROL)	346,650.12	37,923.38	384,573.49
<b>FRESHWATER EUTROPHICATION</b> (LBS OF PO4)	9,961.76	1,319.75	11,281.51
<b>MINERAL DEPLETION</b> (LBS OF MINERALS)	119,513.00	9,252.94	128,765.94
<b>REDUCED DUNNAGE</b> (LBS OF PACKAGING)	3,656,145.28	468,921.71	4,125,066.99

TEVA (UNITS)	FY18 RESOURCES SAVED	FY19 RESOURCES SAVED	FY20 RESOURCES SAVED	TOTAL RESOURCES SAVED TO DATE
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE</b> (LBS OF CO2)	3,131,059.65	3,316,414.29	8,054,480.26	14,501,954.21
<b>WATER USAGE</b> (GALLONS OF WATER)	92,212,755.71	86,051,257.19	170,602,029.59	348,866,042.49
<b>FOSSIL FUEL</b> (GALLONS OF ANCIENT PETROL)	83,393.56	91,098.17	210,081.76	384,573.49
<b>FRESHWATER EUTROPHICATION</b> (LBS OF PO4)	2,607.31	2,764.07	5,910.12	11,281.51
<b>MINERAL DEPLETION</b> (LBS OF MINERALS)	32,848.30	32,382.18	63,535.46	128,765.94
<b>REDUCED DUNNAGE</b> (LBS OF PACKAGING)	932,975.85	990,834.57	2,201,256.56	4,125,066.99



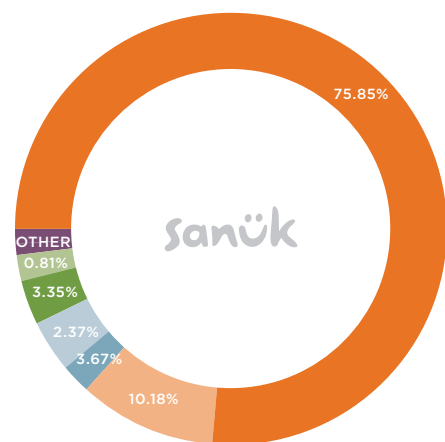
ENVIRONMENT

# MATERIALS (CONTINUED)

## PACKAGING ENVIRONMENTAL SAVINGS BY BRAND (CONTINUED)

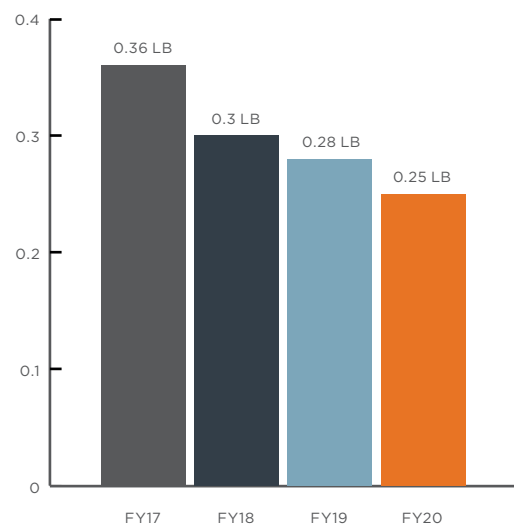
### SANUK

FY20 SANUK PACKAGING SUBSTRATE BREAKDOWN



- 61.96% RECYCLED CORRUGATE BOARD
- 5.72% CORRUGATE BOARD
- 16.72% RECYCLED PLASTIC
- 1.23% PLASTIC
- 4.51% RECYCLED PAPERBOARD
- 3.32% PAPERBOARD
- OTHER: 1.1% RECYCLED PAPER, 2.98% PAPER, 2.47% MINERAL

SANUK AVERAGE PACKAGING DUNNAGE (LBS PER PAIR)



## 64,881 TREES SAVED (FY17-FY20)

*\*Trees saved from FY17-FY19 was 55,152. Due to a calculation error in our FY19 Report our numbers, as reported, were incorrect.*

SANUK PACKAGING IMPACT/PAIR	FY18	FY19	FY20	FY18 VS FY19 REDUCTION	FY19 VS FY20 REDUCTION
<b>DUNNAGE PER PAIR (LBS)</b>	0.300	0.280	0.250	-6.67%	-10.71%
<b>GHG GAS EMISSIONS WITH UPTAKE (LBS OF CO2)</b>	1.072	0.971	0.908	-9.42%	-6.49%
<b>WATER USAGE (GALLONS OF WATER)</b>	22.540	19.470	14.120	-13.62%	-27.48%
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	0.033	0.028	0.023	-16.64%	-18.39%
<b>FRESHWATER EUTROPHICATION (LBS OF PO4)</b>	0.00079	0.00083	0.00066	5.12%	-20.71%

SANUK (UNITS)	PRODUCT PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)	PACKAGING WASTE RESOURCES SAVED (SINCE BASELINE YEAR FY17)	ALL PACKAGING RESOURCES SAVED (SINCE BASELINE YEAR FY17)
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE (LBS OF CO2)</b>	2,736,756.77	167,149.45	2,903,906.22
<b>WATER USAGE (GALLONS OF WATER)</b>	152,779,236.37	14,772,656.64	167,551,893.00
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	101,302.48	6,679.27	107,981.75
<b>FRESHWATER EUTROPHICATION (LBS OF PO4)</b>	2,541.70	213.22	2,754.93
<b>MINERAL DEPLETION (LBS OF MINERALS)</b>	37,994.04	1,132.14	39,126.19
<b>REDUCED DUNNAGE (LBS OF PACKAGING)</b>	822,506.55	60,540.69	883,047.24

SANUK (UNITS)	FY18 RESOURCES SAVED	FY19 RESOURCES SAVED	FY20 RESOURCES SAVED	TOTAL RESOURCES SAVED TO DATE
<b>GHG GAS EMISSIONS WITH CARBON UPTAKE (LBS OF CO2)</b>	842,801.29	1,282,567.54	778,537.38	2,903,906.22
<b>WATER USAGE (GALLONS OF WATER)</b>	54,992,627.82	67,059,023.00	45,500,242.18	167,551,893.00
<b>FOSSIL FUEL (GALLONS OF ANCIENT PETROL)</b>	23,471.17	48,646.88	35,863.69	107,981.75
<b>FRESHWATER EUTROPHICATION (LBS OF PO4)</b>	1,088.80	846.16	819.96	2,754.93
<b>MINERAL DEPLETION (LBS OF MINERALS)</b>	15,415.86	14,386.83	9,323.50	39,126.19
<b>REDUCED DUNNAGE (LBS OF PACKAGING)</b>	290,796.40	354,868.71	237,382.13	883,047.24

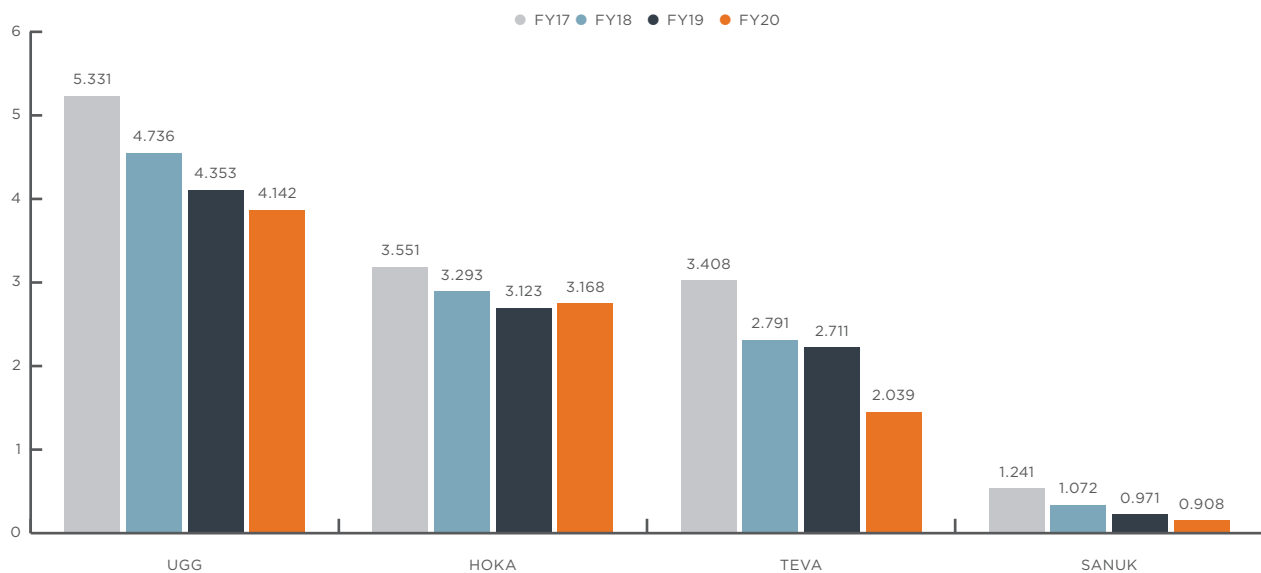
ENVIRONMENT

MATERIALS (CONTINUED)

ENVIRONMENTAL SAVINGS BY PAIR

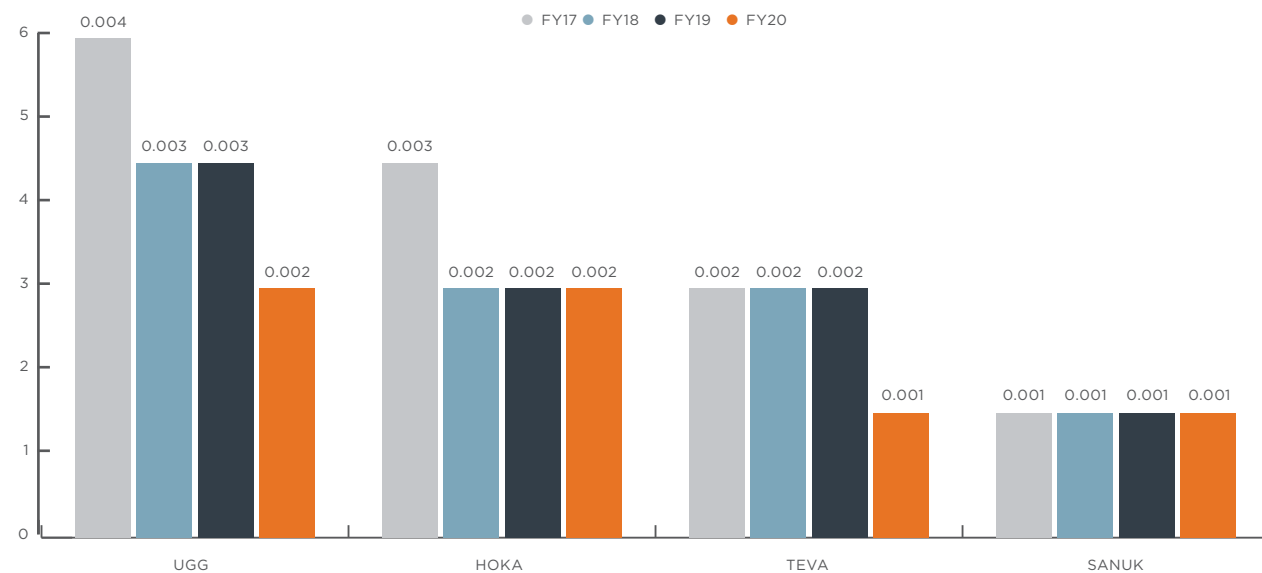
GREENHOUSE GAS

AVERAGE PACKAGING GHG GAS EMISSIONS WITH CARBON UPTAKE (PER PAIR)



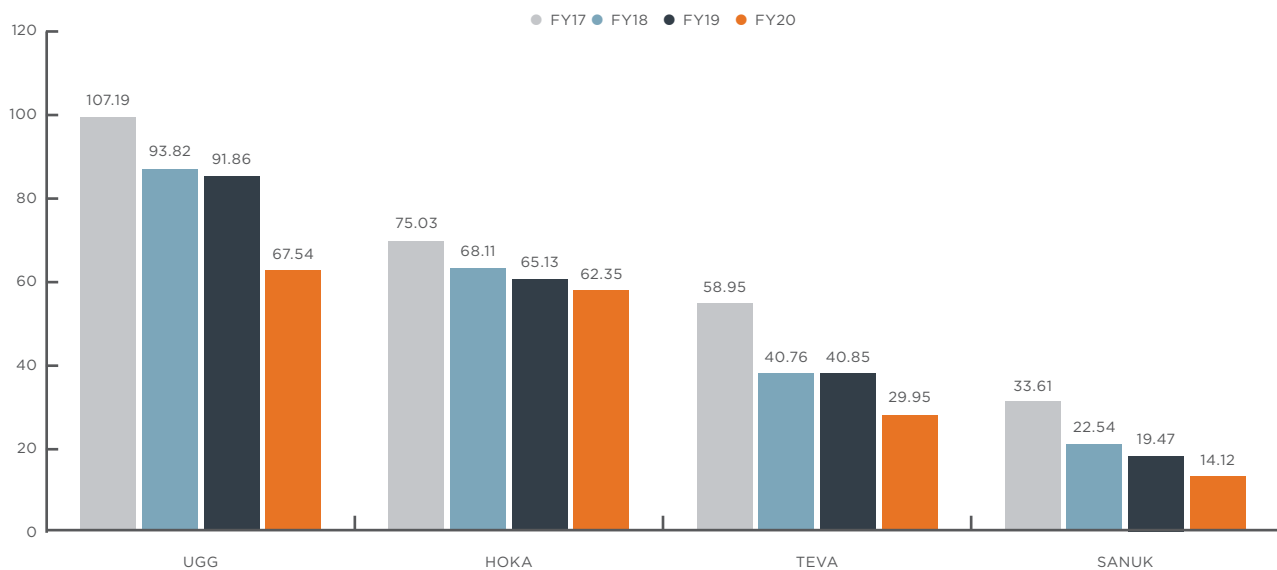
FRESHWATER EUROPHICATION

AVERAGE PACKAGING FRESHWATER EUROPHICATION EMISSIONS (PER PAIR)



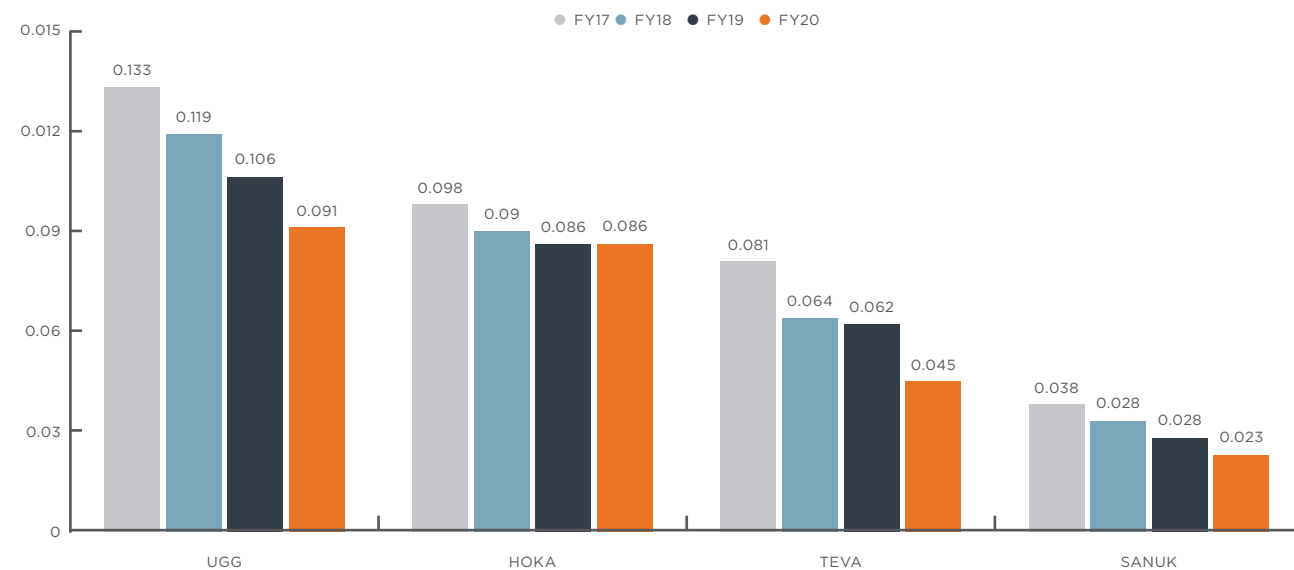
WATER

AVERAGE PACKAGING WATER USAGE (PER PAIR)



FOSSIL FUEL

AVERAGE PACKAGING FOSSIL FUEL USAGE (PER PAIR)



ENVIRONMENT

# MATERIALS (CONTINUED)

## BRAND SPECIFIC MATERIAL CALL-OUTS

### UGG

As conscious consumers, we strive to feel good about our purchases. UGG will introduce a plant-powered collection in spring/summer 2021. UGG was inspired by its heritage and the environment to create novel, sustainable solutions for two of their bestselling styles: Neumel and Fluff. The plant-powered feeling of UGG comes from Lyocell, a soft plush made of regenerated cellulosic fibers, SugarSole™ an innovative foam made with renewable sugarcane and LACTAE HEVEA® a natural rubber made from hevea milk harvested at the heart of tropical plantations which are constantly renewed. In FY21, UGG will see a moderate increase in the use of rPET fibers, along with the introduction of more preferred plant-based fibers, such as hemp and jute. UGG will also introduce two new materials in their FY21 apparel line. The first is a two-sided brushed fleece made with 48% recycled cotton, certified by the Global Recycle Standard (GRS). The second is a soft fluffy knit made with 70% recycled polyester fibers, certified by GRS. UGG is committed to the introduction of more sustainable materials and this is a very exciting preview of exciting things to come.

### HOKA SUSTAINABLE APPAREL

Textiles are the fastest growing portion of the waste stream, making up 7.6% of material disposed of (US EPA 2015). Generation of textiles doubled between 2000 and 2015, while the average use decreased by 36% (EMF 2017). Complex and new materials make recycling difficult, and many garments are not desirable for reuse. This inspired our HOKA team to design apparel in-house. We knew we wanted to utilize more sustainable materials where possible. The collection was created with sustainability in mind. For example, the Unisex Puffy Jacket is made with PrimaLoft insulation that contains 100% post-consumer recycled content. Performance tops use Polartec Power Dry fabric, featuring at least 50% recycled fibers.

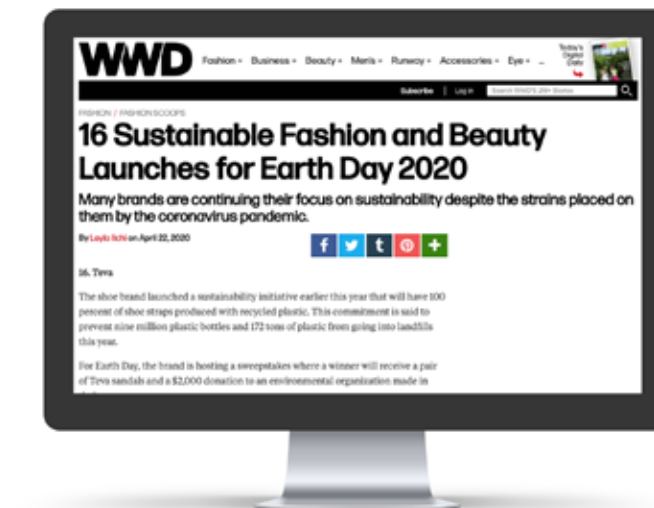
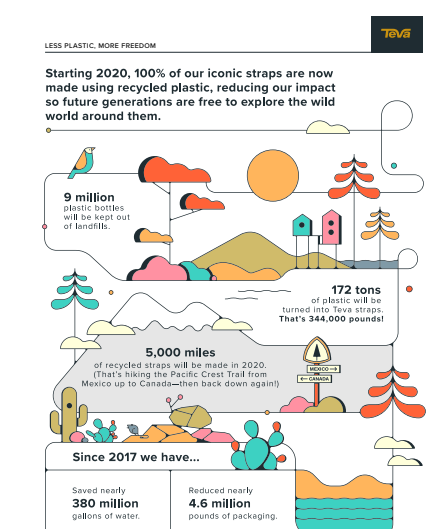
HOKA also made a commitment to increase its use of recycled polyester in its footwear. With that commitment, we saw a significant increase from 0% UNIFI REPPEVE Recycled Polyester in FY19 to 21.17% in FY20. We are proud of the HOKA team's commitment to using more responsible materials in both their footwear and apparel products.

### TEVA

Teva has been an increasing supporter of recycled PET fibers, and in FY20 announced its Strap In To Freedom Campaign. Less plastic means more freedom: freedom to explore, and freedom from the pollution that plastic creates. 100% of all Teva iconic straps are now made from recycled polyester, made from water bottles, which are diverted from landfills. Approximately 9 million plastic water bottles have been diverted from landfills as a result of Teva's commitment.

### SANUK SUSTAINASOLE™

In FY20, Sanuk created its SustainaSole Collection to be launched in FY21. The mission of this collection is to provide a sustainable footwear solution, to divert waste whenever possible, and to give new life to materials which would otherwise be disposed of. Foam provides a comfortable wearing experience that customers are accustomed to, but is often not sustainable. Sanuk's SustainaSole collection utilizes bottom units that consist of 35% recycled foam content by weight and 75% recycled foam content by volume. The upper textiles on this first collection are comprised of 100% Recycled GRS Certified Fibers (65% Recycled Cotton/35% Recycled PET). With this composition, SustainaSole delivers Sanuk's most sustainable collection to date.



“Sustainability Matters: Teva Will Now Make All its Signature Straps from Recycled Plastic.”



## ENVIRONMENT

## MATERIALS (CONTINUED)

## MATERIALS AND SDGS PARTNERSHIPS

## BETTER COTTON INITIATIVE

The Better Cotton Initiative exists to make global cotton production better for the people who produce it, better for the environment it grows in, and better for the sector's future. They do this by developing Better Cotton as a sustainable mainstream commodity.

[BETTERCOTTON.ORG](https://www.bettercotton.org)

## LEATHER WORKING GROUP

The Leather Working Group is a multi-stakeholder group that develops and maintains protocols to assess the environmental compliance and performance capabilities of leather manufacturers. They promote sustainable and appropriate environmental business practices within the leather industry. The Leather Working Group is made up of member brands, retailers, product manufacturers, leather manufacturers, chemical suppliers, machinery suppliers, technical experts and other service providers that work together to maintain environmental stewardship protocols specifically for the leather manufacturing industry.

[LEATHERWORKINGGROUP.COM](https://www.leatherworkinggroup.com)

## LEATHER WORKING GROUP ANIMAL WELFARE GROUP

We are dedicated to animal welfare and ensuring traceability within our supply chain. One of our valued partnerships is with the Leather Working Group's Animal Welfare Group. This Animal Welfare Group's primary objective is the education of the leather value chain of animal welfare related issues. The group continues to prioritize their efforts around traceability, slaughter protocols, assurance schemes and risk mapping.

[LEATHERWORKINGGROUP.COM](https://www.leatherworkinggroup.com)

## OUTDOOR INDUSTRY ASSOCIATION SUSTAINABILITY WORKING GROUP

The Outdoor Industry Association's Sustainability Working Group works to build and implement sustainable business strategies to reduce impact, increase business value, all while creating a positive impact for people and the planet. We want to work together to move the needle on social and environmental concerns.

[OUTDOORINDUSTRY.ORG](https://www.outdoorindustry.org)

## RESPONSIBLE WOOL KICK START PROGRAM

The Responsible Wool Kick Start Program helps smaller farming operations become responsible wool certified, thereby producing and putting more certified wool into the supply chain. We hope that our participation in this program will help drive industry change.

[RESPONSIBLEWOOL.ORG/RWS-KICK-START-PROGRAM](https://www.responsiblewool.org/rws-kick-start-program)

## SOCIAL &amp; LABOR CONVERGENCE

Social & Labor Governance Program brings together unique perspectives to create an efficient, scalable and sustainable solution for social compliance audits. We want to ensure that our ethical supply chain program is best in class. We continue to benchmark our program with other brands to ensure that we maintain our robust social audit criteria.

[SLCONVERGENCE.ORG](https://www.slconvergence.org)

## TEXTILE EXCHANGE RESPONSIBLE LEATHER ROUND TABLE

The Textile Exchange Responsible Leather Round Table seeks to advance continuous improvement in the global leather value chain. The core focus is the development of the Responsible Leather Assessment Tool which sets a global benchmark for minimum best practices.

[RESPONSIBLELEATHER.ORG](https://www.responsibleleather.org)

## UNITED NATIONS GLOBAL COMPACT

The United Nations Global Compact (UNGC) is the largest corporate sustainability initiative. The UNGC aims to mobilize a global movement of sustainable companies and stakeholders to create a better world. UNGC urges companies to: (1) do business responsibly by aligning their strategies and operations with ten principles on human rights, labor, environment and anti-corruption, and (2) take strategic action to advance broader societal goals, sustainable development goals, with an emphasis on collaboration and innovation. As a member of the UNGC, we are held accountable to our set goals. We are required to post an annual progress report (e.g. a Corporate Responsibility and Sustainability Report). We believe this sets us apart from other companies of our scale. This partnership has also assisted us with our targeted approach to sustainability through the adoption of our SDGs.

[UNGLOALCOMPACT.ORG](https://www.unglobalcompact.org)

## MATERIALS RELATED RECOGNITION

## TEXTILE EXCHANGE TOP PERFORMER

In FY20, Deckers was recognized by the Textile Exchange as a top performer in the Textile Exchange Material Change Index (a part of the Corporate Fiber & Materials Benchmark). We were featured as an example for showcasing 'material change in action' through our innovative actions with UGGpure wool which, as noted above, is waste wool. UGGpure wool is harvested from our twinfaced sheepskin and then re-engineered into a new material with the same comfort and wearing experience for which the UGG brand is known.





**HUMAN  
RIGHTS**

---

HUMAN RIGHTS

# HUMAN RIGHTS



**HUMAN RIGHTS**  
POSITIVELY IMPACT THE COMMUNITIES WHERE WE OPERATE INCLUDING ASSURING INDUSTRY LEADING HUMAN RIGHTS PRACTICES WITHIN OUR SUPPLY CHAIN.

TARGETS	FY20 PROGRESS
Recognize human rights within our supply chain by ensuring at least 90% of our Tier 1 and Tier 2 supply chain partners receive Champion, Excellent or Solid audit rankings	<ul style="list-style-type: none"> <li>100% of our Tier 1 partners are audited on an annual basis</li> <li>We engaged (audits, training, and environmental projects) the majority of our Tier 2 suppliers. Tier 2 partners represent 55% of our total materials spend</li> <li>Anonymous hotline provided to supply chain partners for reporting purposes</li> </ul>
Ensure our Lost Time Injury Rate is 0.26 and our Total Recordable Incident rate is 0.40	<ul style="list-style-type: none"> <li>FY20 Lost Time Injury Rate was 0.28 and Total Recordable Incident Rate was 0.40</li> </ul>

## OUR APPROACH

We believe in the power of our scale and wish to use that for good. We have a responsibility to protect the skilled workers creating our product. We respect human rights, remedy violations in accordance with the International Labor Organization (ILO), and monitor the chemistry within our products to meet global regulations and our own voluntary regulations. We believe in responsible consumption and building product that is built to last, which is possible only with an ethical supply chain.

## WORKERS IN OUR SUPPLY CHAIN

### CHILD LABOR

We prohibit the use of child labor in the factory partners we work with to make our products. Our Ethical Supply Chain Supplier Code of Conduct prohibits factory partners from hiring workers below the age of 16 or, in the case of hazardous work, the age of 18. Should the legal age for employment be greater than 16 the higher age applies. We audit 100% of our Tier 1 partners, and engage the majority of our Tier 2 partners, through onsite visits, worker interviews, and detailed review of records. For more information, please see our [CA SUPPLY CHAINS ACT STATEMENT](#), our [UK SLAVERY ACT STATEMENT](#), and our [ETHICAL SUPPLY CHAIN SUPPLIER CODE OF CONDUCT](#).

CHILD LABOR-RELATED FINDINGS		
ISSUE	FY19	FY20
NUMBER OF CHILD LABOR FINDINGS OR EVENTS	0	0
NUMBER OF OTHER AGE STANDARD FINDINGS OR EVENTS	0	1*

\*Factory had no formal written policy or procedure regarding proper age identification methods. Finding was remediated.

## FORCED LABOR

We prohibit the use of forced labor in the factory partners we work with to make our products. Our Ethical Supply Chain Supplier Code of Conduct prohibits factory partners from using forced labor whether in the form of prison labor, indentured labor, bonded labor or otherwise. We audit 100% of our Tier 1 partners, and engage the majority of our Tier 2 partners, through onsite visits, worker interviews, and detailed review of records. For more information, please see our [CA SUPPLY CHAINS ACT STATEMENT](#), our [UK SLAVERY ACT STATEMENT](#), and our [ETHICAL SUPPLY CHAIN SUPPLIER CODE OF CONDUCT](#).

FORCED LABOR-RELATED FINDINGS		
ISSUE	FY19	FY20
NUMBER OF FORCED LABOR FINDINGS OR EVENTS	0	0
NUMBER OF OTHER AGE STANDARD FINDINGS OR EVENTS	0	1*

\*Factory had procedure for using restroom. Finding was remediated.

HUMAN RIGHTS

# HUMAN RIGHTS (CONTINUED)

## PARTNER PERFORMANCE: AUDIT CRITERIA

We respect all human rights and prioritize working with partners who share in this vision. Our Ethical Supply Chain (ESC) team continues to elevate our program and ensure we are a leader in this space.

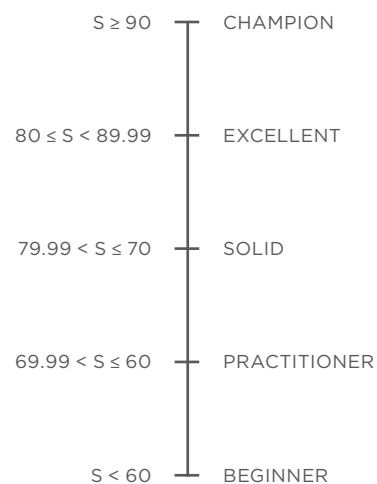
We audit 100% of our Tier 1 partners, and we engage the majority of our Tier 2 partners either through audits, training opportunities, or through environmental monitoring. This includes onsite visits, worker interviews, and detailed review of supplier records including overtime, wage and benefit information.

Our audits are performed against our **ETHICAL SUPPLY CHAIN SUPPLIER CODE OF CONDUCT** that is based on International Labor Organization standards. We have zero tolerance for forced labor, child labor, discrimination, harassment or abuse. Workers should be compensated in accordance with minimum wage laws (at a minimum), shall work no more than 60 hours per week (or in compliance with local law if lower), and are required to be provided with at least one day off in seven. Business partners must ensure a safe and healthy work environment and should respect the right of workers to have the freedom of association/collective bargaining.

Onsite audits are conducted pursuant to our 230-question audit questionnaire which only contains yes/no questions, limiting personal bias. Additionally, our executive management team meets periodically throughout the year to review the performance scorecards of our partners. Scorecards include audit score, social compliance, and environmental performance.

2019 ENHANCED GENERAL ESC SCORECARD	
ANNUAL ESC AUDIT	Onsite ESC Audit - FFC
	Audit CAP Progress - FFC
SUSTAINABILITY - SOCIAL	Social Self-Governance
	Social Insurance and Legal Benefits
	Working Hour Efficiency
	Beyond Compliance - Social Projects
SUSTAINABILITY - EHS	Minimize Footprint
	H&S Self-governance
	Minimize Injury/LTIR
	Beyond Compliance - EHS Projects

### 2019 ENHANCED GENERAL ESC PERFORMANCE GRADING



## PARTNER PERFORMANCE: TIER VENDOR SCORECARD

In FY20, we updated our audit performance categories to align with our vendor scorecard mentioned above. In FY20, we audited 100% of our Tier 1 partners which included 25 on site audits and 103 desktop assessments mainly for licensees/agent relationships. We are pleased to report that 91.66% were either Champion, Excellent or Solid meaning they scored 70-100% on their audit.

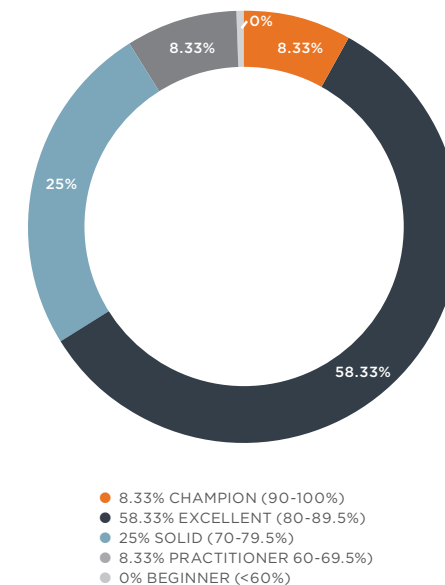
## PARTNER PERFORMANCE: TIER 2 SUPPLIER PERFORMANCE

In FY20 we engaged (via audits, training, and environmental projects) the majority of our Tier 2 suppliers. Together, these engaged Tier 2 partners represent 55% of our total materials spend. 17 of these partners were enrolled in our Environmental Health and Safety program and the remaining 5 were trained on our ESC expectations and audited based on available third-party audit documentation. In FY21, we plan to continue engaging these key Tier 2 partners, so they are reviewed in the same manner as our Tier 1 partners (e.g. ESC audit score, social compliance, and environmental performance).

## TOP FINDINGS OF NON-COMPLIANCE

Understanding our top findings of non-compliance keeps us accountable, allowing us to recognize areas where we need to dedicate more resources. Our top findings of non-compliance were similar to our findings last year and are in line with the footwear and apparel industry overall. Our most prevalent areas of non-compliance are excessive overtime (which is dependent on timing of audit and challenges associated with peak production), insufficient benefits, insufficient social insurance, improper machine safety management, and improper exit doors. We continue to monitor performance in these areas and will allocate the resources necessary to remediate these non-compliance areas.

## FY20 VENDOR SCORECARD PERFORMANCE



## FY20 TOP FINDINGS OF NON-COMPLIANCE

- EXCESSIVE OVERTIME
- INSUFFICIENT BENEFITS
- INSUFFICIENT SOCIAL INSURANCE
- IMPROPER MACHINE SAFETY MANAGEMENT
- IMPROPER EXIT DOOR

HUMAN RIGHTS

# HUMAN RIGHTS (CONTINUED)

## SOCIAL RESPONSIBILITY COLLABORATION

We recognize that when we work together, we are collectively better. We are eager to collaborate with other brands, organizations, and leaders in the industry. We are not competitors of social compliance but colleagues working together to implement lasting reform. In FY20 we collaborated with: (1) over twenty leading footwear and apparel brands, (2) Apparel and Footwear Brands Collaboration Forum, (3) Business for Social Responsibility, (4) Social and Labor Convergence, and (5) Better Work. We look forward to continuing to work with other peers in our industry to make permanent change.

## ETHICAL SUPPLY CHAIN (ESC) TRAINING

Audits are needed to ensure an ethical supply chain but alone they are not enough - ongoing training is needed to ensure expectations are met. This is why our Ethical Supply Chain team provides hands-on training so partners are well versed on our expectations of them. In FY20, our ESC team spent 363 hours training our suppliers and third-party partners on various ESC topics - an increase over last year's 268 hours. Aside from audits, resources must be designated to provide ongoing training and education in order to maintain compliance with our robust expectations.

## HERPROJECT

HERproject's mission is to unlock the full potential of women working in global supply chains through workplace-based interventions on health, financial inclusion, and gender equality. Women make up the majority of the workers in the footwear and apparel sector. We have supported HERproject since 2016 because we recognize the need to support women who are often working for male dominated management. In FY20 we expanded HERproject trainings to an additional seven factories, including four Tier 2 suppliers in China, one key lifestyle supplier in Myanmar, and two key Tier 1 footwear factories in the Philippines. Since the inception of our partnership with HERproject we have empowered 33,019 women and 14,236 men. We firmly believe that our partnership with HERproject will inspire the next generation of female leaders.

## HEALTH AND SAFETY OF FACTORY EMPLOYEES

We respect all people, regardless of their status within our organization. All employees, whether working at corporate headquarters or on our supply chain, deserve to be safe and well supported. Like most in our industry, we do not own the facilities that produce our product, but we ensure they are being managed in accordance with our requirements and our expectations.

In FY20 we met or exceeded targets for Lost Time Injury Rate (LTIR) and Total Recordable Incident Rate (TRIR). Our LTIR was 0.28 (compared to 0.36 in FY19) and our TRIR was 0.40 in FY20 (compared to 0.45 in FY19).

Our ethical supply chain team's dedication to helping our supply chain partners navigate through the challenges that COVID-19 has presented are commendable. Our team monitored the rapidly evolving situation closely, shared resources and prevention procedures, tracked case numbers globally, issued prevention guidelines and emergency protocols, and maintained regular communication and reporting.

## HEALTH AND SAFETY FACTORY PERFORMANCE

PERFORMANCE MEASURE	FY18	FY19	FY20	FY20 TARGET	STATUS	FY21 TARGET
<b>FATALITIES</b> (NUMBER OF EVENTS)	1	0	0	0	✓	0
<b>LOST TIME INJURY RATE (LTIR)</b> (CASES/TOTAL HOURS WORKED *200,000)	0.39	0.36	0.28	0.35	✓	0.26
<b>TOTAL RECORDABLE INCIDENT RATE (TRIR)</b> (CASES/TOTAL HOURS WORKED *200,000)	0.45	0.45	0.40	0.40	✓	0.40
<b>TOTAL NUMBER OF LOST DAYS</b>	3745	3071	2314	N/A	///	///

1. TRIR=Number of OSHA Recordable Cases X 200,000/Number of Employee labor hours worked  
 2. LTIR= Number of DAFW Cases X 200,000/Number of Employee labor hours worked  
 3. FY20, figures derived from 31 core suppliers: footwear factories (14), out/midsole factories (8), tannery factories (9). In FY19 figures were derived from 26 core suppliers

## FY20 HEALTH & SAFETY BREAKDOWN BY TIER

	FATALITIES	LOST TIME INJURY RATE (LTIR)	TOTAL RECORDABLE INCIDENT RATE (TRIR)	TOTAL NUMBER OF LOST DAYS
<b>TIER 1 - FOOTWEAR</b>	0	0.18	0.29	905
<b>TIER 2 - BOTTOM</b>	0	0.38	0.43	172
<b>TIER 2 - TANNERY</b>	0	0.99	1.23	1,237
<b>TOTAL</b>	0	0.28	0.40	2,314



HUMAN RIGHTS

# CHEMISTRY & CONSUMER SAFETY

**CHEMISTRY & CONSUMER SAFETY**  
REDUCE OR ELIMINATE HAZARDOUS CHEMICALS THROUGHOUT OUR OPERATIONS.

TARGETS	FY20 PROGRESS
Reduce Volatile Organic Compounds to 20g/pair or less	<ul style="list-style-type: none"> <li>Continued reduction in VOCs. All brands under 18g/pair at the assembly level</li> </ul>
Eliminate PFC from our supply chain (Tier 1 and Tier 2)	<ul style="list-style-type: none"> <li>PFC free supply chain achieved (Tier 1 and Tier 2)</li> </ul>
Eliminate PVC from our supply chain	<ul style="list-style-type: none"> <li>Working towards elimination</li> </ul>
Eliminate/reduce potentially harmful substances from our supply chain	<ul style="list-style-type: none"> <li>Deckers materials free of banned and/or restricted Azo dyes</li> <li>Blue 106 replaced with an environmentally friendly dye that share the same color properties</li> </ul>

### OUR APPROACH

Not only do we strive to make product that is more sustainable, we also must ensure that our product is safe for our consumers. Our brands deliver performance, but they must do so in compliance with all global product safety standards. Our **RESTRICTED SUBSTANCE PROGRAM** is intended to ensure products comply with the most stringent applicable global legislation, along with own voluntary regulations, promote the use of environmentally friendly materials, ensure harmful substances are limited or eliminated based on health, environmental or other factors, and ensure sustainable product innovation.

### CHEMISTRY: SOUND CHEMISTRY MEANS SUPERIOR PRODUCT

A proper understanding of chemistry, legal restrictions, testing methodologies and failure remediation techniques are essential to ensuring the safety of our products for consumers. Leather characteristics and colors, flame resistance and waterproofing are all made possible through chemistry. All of our products must be compliant with global regulations and are tested, including random testing, to ensure compliance. Our Restricted Substances Team ensures all supply chain partners are fully aware of our expectations and have received the proper training and tools necessary for success.

### RESTRICTED SUBSTANCES TRAINING

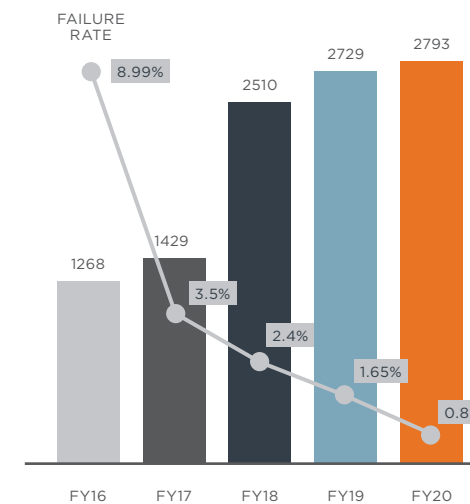
We work diligently with our supply chain partners to provide ongoing training to appropriately manage our product chemistry. In FY20, our Restricted Substances Team offered over 260 hours of training on various topics including:

- Restricted Substances Policy Review and Highlights
- REACH, California Proposition 65 Compliance
- CPSIA Regulation and System Control Tools
- Dangerous Chemical Diagnostic Techniques and Implementation Tools
- Failure Analysis and Correction Action Plans
- Diagnostic Tools and Skills for Common Restricted Substances
- Manufacturing Restricted Substances Control and Chemical Management
- Technical Support and Case Studies
- Origins of Contamination, Pollutions and Cross-Contamination Prevention
- Manufacturing Restricted Substance Controls
- PFC Free Compliance and Technical Support
- Restricted Substances System Construction and Management
- Manufacturing Restricted Substances List (MRSL) controls

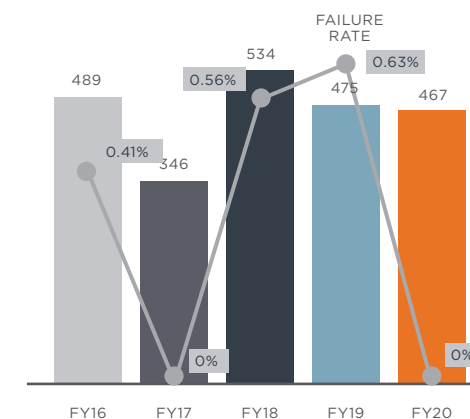
### RESTRICTED SUBSTANCES TESTING FAILURE RATE

The added effort and time our Restricted Substances Team spends nurturing these relationships with our supply chain partners has resulted in a very low restricted substances failure rate. Our overall failure rate has dropped to 0.8% in FY20 from 1.65% in FY19. We are committed to making product in a way that protects our consumers, the workers in our supply chain, and that is less harmful to our environment.

**5 YEAR RESTRICTED SUBSTANCES FAILURE RATES**  
(% BASED ON THE NUMBER OF REPORTS)



**CPSIA REPORTS AND FAILURE RATE**



## HUMAN RIGHTS

# CHEMISTRY & CONSUMER SAFETY (CONTINUED)

## CONSUMER SAFETY

### CONSUMER PRODUCTS SAFETY IMPROVEMENT ACT (CPSIA)

Our Restricted Substances program is intended to ensure products safe for consumers and comply with the most stringent applicable global legislation including CPSIA. CPSIA was enacted in 2008 and addresses, among other things, lead, phthalates, and safety of children's product. Our restricted substances policy ensures that children's finished product is tested in compliance with CPSIA.

### CHEMICALS REDUCED, CONTROLLED, OR ELIMINATED IN FY20

#### VOLATILE ORGANIC COMPOUNDS

Volatile organic compounds (VOCs) are emitted as gases from certain solids or liquids. VOCs include a variety of chemicals, some of which may have short and long-term adverse health effects. VOCs, if not managed appropriately, can affect air quality. Our brands are all within our target of 20g/pair. We have recorded year over year reductions in VOCs, with the exception of the HOKA brand. HOKA saw a slight increase in FY20 due to design and material changes that necessitate the use of more solvent based adhesives or primers. We intend to continue driving these reductions and anticipate overall reduced VOC consumptions for our brands.

#### VOLATILE ORGANIC COMPOUNDS REDUCTION EFFORTS (UNITS G/PAIR)

	FY2017	FY2018	FY2019	FY2020
<b>UGG</b>	20.0	17.0	13.7	12.6
<b>SANUK</b>	18.0	15.2	19.0	6.2
<b>TEVA</b>	45.0	20.4	19.5	17.9
<b>HOKA</b>	25	14.5	14.4	17.3
<b>KOOLABURRA</b>	25	17.1	14.5	11.3

In FY20 our Restricted Substances team managed and controlled over 1,600 restricted substances and were able to reduce and or eliminate the following:

## POLYFLUOROALKYL CHEMICALS (PFC'S)

In FY20, we successfully eliminated\* all PFCs - including PFOA and PFOS - from our supply chain. Polyfluoroalkyl substances are a group of man-made chemicals that include PFOA and PFOS which can have adverse effects on human health. PFCs have been widely used by numerous brands to enhance material physical properties, especially waterproof, water resistant, non-wicking and water-repellent chemicals. In FY20 we worked diligently to replace these chemicals with more environmentally friendly agents.

### DISPERSE DYES

Disperse dyes have been used to dye synthetic and blended textile products. It is common to find disperse dyes in synthetic materials, especially those with dark colors. Deckers has successfully replaced disperse blue 106 with an environmentally friendly dye that shares the same color properties.

### AZO DYES

Deckers materials are free of banned and/or restricted Azo dyes. Azo dyes are known for their unique dyeing properties, but they can cause serious environmental and health issues.

## MEDIUM CHAIN CHLORINATED PARAFFINS (MCCPS)

In FY20 we eliminated\*\* MCCPs from our supply chain. MCCPs are used to enhance product features such as softness and smoothness. The acute toxicity of MCCPs is low and not genotoxic, but they are toxic to the aquatic environment, so we have chosen to eliminate them from our supply chain.

\*PFCs are prohibited by our Restricted Substances Policy. 0.01 mg/kg is the lowest the lab's machine can be calibrated to detect.

\*\*MCCPs are restricted by our Restricted Substances Policy. 200mg/kg is the lowest the lab's machine can be calibrated to detect.

## CONCLUSION

Thank you for reading our FY20 Creating Change Report. FY20 was another great year for Deckers, as we saw significant movement continuing to drive our sustainable development goals forward. We recognize our program must continue to evolve and we want to continue challenging ourselves to do more. In FY21, we will continue to drive SDG progress, finalize our product materials lifecycle assessment so that we can develop and design more sustainable products, evaluate more sophisticated carbon reduction measures, examine footwear recycling opportunities, and explore a partnership to support regenerative farming practices. We strive to improve our communication efforts to our stakeholders, including our investors, consumers, and customers. We hope that you can see our continued commitment to environmental social governance. We know that we can continue to grow our business while doing good in the communities in which we operate, the factories in which we manufacture, and the planet on which we live.

**ADDITIONAL  
INFORMATION**

---

## ADDITIONAL INFORMATION

## ADDITIONAL INFORMATION

## PRIOR REPORTS

Deckers has filed five annual corporate responsibility and sustainability reports: this is our sixth report. Prior to this publication, the most recent corporate responsibility report, covering fiscal year 2019 was released in September 2019. All historic reports can be found at the references linked below or at: [DECKERS.COM/RESPONSIBILITY](https://www.deckers.com/responsibility).

## REPORT FRAMEWORK

The content of this report was developed through a cross-functional development effort with immense consideration given to best practices for sustainability reporting. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Standards. We also considered Sustainability Accounting Standards Board (SASB) Consumer Goods Sector Apparel Accessories & Footwear Index and the Task Force on Climate Related Financial Disclosures (TCFD). This report focuses on key social and environmental issues, including but not limited to human rights, labor conditions, animal welfare, diversity and inclusion, corruption, governance, climate and clean energy, and raw materials sourcing.

## CONTACT

As always, we welcome any feedback on this report. Please reach out to us with any thoughts, questions or feedback at [CR@DECKERS.COM](mailto:CR@DECKERS.COM).

## ADDITIONAL INFORMATION

## REFERENCES

- [ETHICAL SOURCING AND ANIMAL WELFARE POLICY](#)
- [DECKERS CODE OF ETHICS](#)
- [DECKERS ENVIRONMENTAL POLICY](#)
- [CONFLICT MINERALS POLICY](#)
- [ETHICAL SUPPLY CHAIN SUPPLIER CODE OF CONDUCT](#)
- [PAPER AND FOREST PROCUREMENT POLICY](#)
- [RESTRICTED SUBSTANCES PACKET](#)
- [CORPORATE RESPONSIBILITY VIDEOS](#)
- [GLOBAL REPORTING INITIATIVE CORE STANDARDS](#)
- [SUSTAINABILITY ACCOUNTING STANDARDS BOARD \(SASB\) CONSUMER GOODS SECTOR APPAREL ACCESSORIES & FOOTWEAR INDEX](#)
- [TASK FORCE ON CLIMATE RELATED DISCLOSURES](#)



# **APPENDICES**

---

## DEFINITIONS

### TIER 1

Facilities where our finished products are made.

### TIER 2

Facilities where materials are manufactured.

### DUNNAGE

Dunnage is any substrate, that is not part of the product itself, used to protect the product.

### LOSS IN PRODUCTION

Waste produced in all levels of production.

### CLOSED LOOP

Process by which a product is used, recycled, and then made into a new product (of the same stream) therefore never entering a landfill.

### POST INDUSTRIAL WASTE/ PRE-CONSUMER WASTE RECYCLING

Material diverted from waste stream during manufacturing process.

### LANDFILL

A site for the disposal of any substrate.

### LIFESTYLE

Non-footwear items including apparel and small leather goods.

### DOWNCYCLE

Reusing substrates in a way that is outside of the original stream.

### UPCYCLED

Reusing substrates incorporating them in to the same/original stream. Upcycling, also known as creative reuse, is the process of transforming by-products, waste materials, useless, or unwanted products into new materials or products perceived to be of greater quality.

### RECYCLED MATERIAL

Process or converting waste materials into a new material or object. The recyclability of a material depends on its ability to re-acquire the properties it had in its virgin or original state.

### RENEWABLE MATERIAL

A renewable material is a material made of natural resources that can be replenished, generation after generation.

### REGENERATED CELLULOSIC FIBERS

A fiber that is created by dissolving the cellulose area of plant fiber in chemicals and making it into fiber again

### NATURAL MATERIALS

Any product or physical matter that originates from plants, animals or the ground (e.g. hemp, cotton, linen, wool, jute, etc.).

## APPENDICES

# SUPPLY CHAIN PARTNER DISCLOSURES

## FOOTWEAR

COUNTRY	PARENT COMPANY/ VENDOR NAME	FULL NAME OF FACILITY	ADDRESS	NUMBER OF WORKERS	FEMALE	MALE	TRADE UNION	WORKER COMMITTEE	FOREIGN EMPLOYEES PERCENTAGE	SUPPLIER AND PRODUCT TYPE
Vietnam	MEGA STEP HOLDINGS LIMITED	AMARA VIETNAM FOOTWEAR COMPANY LIMITED	Song Khe Zone, Co Le Town, Truc Ninh District	8042	6693	1349	Yes	No	0.70%	UGG, Teva, Hoka, Sanuk
Vietnam	MEGA STEP HOLDINGS LIMITED	CONTINUANCE VIETNAM FOOTWEAR COMPANY LIMITED	Km No. 43, National Road No.5, Lai Cach Town, Cam Giang District	2056	1381	675	Yes	No	1.30%	UGG, Teva, Sanuk, Hoka,
Vietnam	MEGA STEP HOLDINGS LIMITED	PANTA VIETNAM FOOTWEAR CO., LTD	Ngo Village, Binh Xuyen Commune, Binh Giang District	2588	2000	588	Yes	No	1.31%	UGG, Teva, Sanuk
Vietnam	STELLA INTERNATIONAL CO. LTD	GOLDEN STAR CO., LTD - SIMONA FOOTWEAR CO., LTD	Phu Thanh Tay Area, Yen Thanh Ward, Uong Bi City	3708	3441	267	Yes	No	0.30%	UGG, Teva, Koolaburra
Vietnam	GREENLAND INTERNATIONAL LTD	GOLDEN TOP COMPANY LIMITED	Km No 9, Pham Van Dong Street, Duong Kinh District	1963	1501	462	Yes	No	1.10%	UGG, Koolaburra
Vietnam	GREENLAND INTERNATIONAL LTD	GOLDEN TOP COMPANY LIMITED - TAM CUONG ACCESSORY AND SHOE MANUFACTURING FACTORY	Km 11, Road 37, Tam Cuong commune, Vinh Bao District	3050	2686	364	Yes	No	0.98%	Koolaburra, UGG
Vietnam	NAM SINH COMPANY LIMITED	NAM SINH COMPANY LIMITED	Hy Duyet Village, Cam Hung Commune, Cam Giang District	1015	914	101	Yes	No	1,87%	UGG, Teva
Vietnam	GUANG HAN LIN SHOES CO., LTD/ACTION ENTERPRISES (INTERNATIONAL) LIMITED	THANH HUNG (GOLDEN PLUS) CO., LTD (VIETNAM)	Km 16 Road 353 Minh Duc Ward, Do Son District	574	449	125	Yes	No	2.00%	Sanuk, Koolaburra
Vietnam	FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	TY THAC CO., LTD	Residential Area 1, My An Townlet, Thap Muoi District	2739	2308	431	Yes	No	0.66%	Hoka, Teva
Vietnam	HONG KONG SHOE MAJESTY TRADING COMPANY LIMITED	VIETNAM SHOE MAJESTY, CO, LTD	Chau Duc Industrial Zone, Suoi Nghe Commune, Chau Duc District	2933	2258	675	Yes	No	0.30%	UGG, Teva, Koolaburra
Vietnam	AL-NU SPORTING GOODS (HK) CO., LIMITED	ZHI XING VIETNAM CO., LTD	Lot CN1, CN2, CN3-CCN Nguyen Giap, Nguyen Giap Commune, Tu Ky District, Hai Duong Province, Vietnam	470	250	220	Yes	No	5.00%	Hoka, Sanuk, Teva

## APPENDICES

# SUPPLY CHAIN PARTNER DISCLOSURES (CONTINUED)

## FOOTWEAR (CONTINUED)

CATEGORY	COUNTRY	FULL NAME OF FACILITY	ADDRESS	NUMBER OF WORKERS	FEMALE	MALE	TRADE UNION	WORKER COMMITTEE	FOREIGN EMPLOYEES PERCENTAGE	SUPPLIER AND PRODUCT TYPE
Cambodia	GREENLAND INTERNATIONAL LTD.	SKY NICE II INTERNATIONAL CO.,LTD	Tasen Village, Sotip Commune, Choeung Prey District, Kompong Cham Province	2003	1944	59	Yes	No	1.50%	Koolaburra
China	LI SING INTERNATIONAL LTD.	PINGXIANG BAOJIU SHOES CO. LTD	Nankeng Industrial Park, Nankeng Town, Luxi County, Pingxiang City	331	282	49	Yes	No	0%	Teva, Koolaburra
China	HENAN PROSPER SKINS & LEATHER ENTERPRISE CO., LTD	XUCHANG RESHINE SHOES INDUSTRY COMPANY LTD.	Intelligent Equipment Science And Technology Park, Xiangcheng County, Xuchang City	947	843	104	Yes	No	0%	UGG
China	PUTIAN NEWPOWER INTERNATIONAL TRADE CO., LTD	PUTIAN HANJIANG BUFENG FOOTWEAR CO.,LTD	Daili Village, Baitang Town, Hanjiang District, Putian	612	234	378	No	No	0%	Koolaburra, Sanuk
China	STELLA INTERNATIONAL TRADING (MACAO COMMERCIAL OFFSHORE) LIMITED	GUANGXI YUXIANG FOOTWEAR CO.LTD	Shi Li Industrial Zone, Lingshan County, Qinzhou	1727	1448	279	Yes	Yes	0%	UGG
Philippines	STELLA INTERNATIONAL HOLDING LIMITED	CORONATION PREMIUM MFG.INC	Creekside Rd, Compound 2, Clark Freeport Zone	2855	2227	628	No	Yes	1%	UGG
Philippines	STELLA INTERNATIONAL HOLDING LIMITED	FELIZ PREMIUM MFG.INC	J. Abad Santps Corner Manunggal Street, Clark Freeport Zone	2570	1953	617	No	Yes	2%	UGG
Dominic Republic	N/A	PETROQUIM SRL	Av. Nicolas de Ovando No. 334, Santo Domingo	206	41	165	N/A	N/A	N/A	UGG



## APPENDICES

# SUPPLY CHAIN PARTNER DISCLOSURES (CONTINUED)

## LIFESTYLE

COUNTRY	PARENT COMPANY/ VENDOR NAME	FULL NAME OF FACILITY	ADDRESS	NUMBER OF WORKERS	FEMALE	MALE	TRADE UNION	WORKER COMMITTEE	FOREIGN EMPLOYEES PERCENTAGE	DECKERS BRANDS	SUPPLIER AND PRODUCT TYPE
China	WING FENG LAP YIP FASHION LIMITED.	DONGGUAN CITY FENG WING MING SHING KNITTING LIMITED	Heng Jiang Xia Village Chang Ping Town Dongguan City	400	232	168	Yes	No	0%	UGG	Sweater
China	WINNER INTERNATIONAL LIMITED	DONG GUAN SMART DRAGON INDUSTRIAL LIMITED	SanXian building, Zengbu kylin Industrial Estate Chashan Town Dongguan City	150	92	58	No	Yes	0%	UGG	Apparel
China	CHANGLU INDUSTRIAL (HONGKONG) CO., LTD.	SHENZHUO CHANGFENG HANDBAG MFR CO., LTD. (Shenzhen TAK Shing Leather Goods MFY LTD., New name will be used since SP21)	No.B18 Block,New Industrial Area, Fu Cheng Ao, Ping Hu Town, Shenzhen City	85	50	35	No	No	0%	UGG	Handbags & Wallets
China	SHANGHAI CATHAYA INTERNATIONAL TRADING CO.,LTD	ANHUI CITY HUIZHOU DISTRICT SHIYU TEXTILE&GARMENT CO., LTD.	SME Base at 1# Xinhang Rd, North City Industry Park, Huizhou District, Huangshan City	46	40	6	No	No	0%	UGG	Home Textile
China	FRANKSON LIMITED	TREASURE KEY (XIAMEN) FINERY CO., LTD.	No.101, Tongyuan North Road, Tong'an District, XiaMen City	303	233	70	Yes	Yes	0%	UGG	Apparel
China	ZHEJIANG ZHONGDA GROUP INTERATIONAL TRADING CO.,LTD.	HAINING UNITED SOCKS CO., LTD.	NO.360 HaiFeng Road, Haining	300	186	114	Yes	No	0%	UGG	Socks
China	ZHEJIANG ZHONGDA GROUP INTERATIONAL TRADING CO.,LTD.	POLAR GOOSE CLOTHING CO., LTD.	Zhenxi 88, Huzhou City	450	292	158	Yes	No	0%	UGG	Socks/ Apparel
China	ZHEJIANG ZHONGDA GROUP INTERATIONAL TRADING CO.,LTD.	HUZHOU CHENGXING CLOTHING CO., LTD.	NO.15 Waihuan East Road, Shuanglin Town, Huzhou	120	84	36	No	No	0%	UGG	Apparel
China	ZHEJIANG MEIKAN GARMENT & ACCESSORIES CO., LTD	ZHEJIANG MEIKAN GARMENT & ACCESSORIES CO., LTD.	No.318, Xiachuan Road, Haichang Street, Haining City	141	98	43	No	No	0%	UGG	Socks
China	VENITRA INDUSTRIAL GROUP LTD.	ANHUI VERINO MANUFACTURING CO., LTD.	52 Donghe Road,Qingyang,Chizhou City	300	210	90	Yes	No	0%	Hoka	Sports wear / Baselayer/ Underwear/ Ski Jacket
Myanmar	WINNER INTERNATIONAL LIMITED	SDI MANUFACTURING COMPANY LIMITED	NO. 40, Myay Taing Quarter No.24, Ngwe Pin Lei Industrial Zone, Hlaing Thar Yar Township	531	325	206	No	Yes	2%	UGG	Apparel
Vietnam	NEW FOCUS TEXTILES LIMITED.	YTHANH MANUFACTURING & TRADING CO., LTD.	Hamlet 5, Nhi Thanh Ward, Thu Thua District	245	192	53	Yes	No	0%	UGG	Knit Top, Knit Bottom

## APPENDICES

# SUPPLY CHAIN PARTNER DISCLOSURES (CONTINUED)

## T2 SUPPLIERS

CATEGORY	COUNTRY	FULL NAME OF FACILITY	ADDRESS	NUMBER OF WORKERS	FEMALE	MALE	TRADE UNION	WORKER COMMITTEE	FOREIGN EMPLOYEES PERCENTAGE	SUPPLIER AND PRODUCT TYPE
Bottom	Vietnam	AMARA BOTTOM SECTION	Song Khe Zone, Co Le Town, Truc Ninh District	1400	780	620	Yes	No	0.01%	Outsole
Bottom	Vietnam	GALLI INTERNATIONAL INDUSTRIAL CO., LTD.	Lot D-4T-CN & D-4V-CN, My Phuoc Industrial Park 3, Thoi Hoa Ward, Ben Cat Town, Binh Duong Province, Vietnam	535	321	214	Yes	No	7%	Rubber outsole
Bottom	Vietnam	GIA CHIU CO., LTD.	Section 6- Tien lang Ward -Tien lang District - Hai Phong City, Vietnam	1062	467	595	Yes	No	1.89%	Rubber, CM EVA, IP EVA, PU, PU-EPOP
Bottom	Vietnam	HONGBAO RUBBER & PLASTIC CO., LTD.	Lot 42-4-2 ,N16 road, Phuoc dong industrial park, Phuoc dong ward, Go dau district, Tay ninh province, Vietnam	121	60	61	Yes	No	3%	Injection EVA outsole and midsole
Bottom	China	GUO RONG (QINGYUAN) RUBBER INDUSTRY CO., LTD.	Blossom Well Industrial Zone, LongTang Town, QingYuan City, GuangDong, China 511540	130	39	91	Yes	No	1%	Rubber outsole
Bottom	China	DONGGUAN YUZHAN INDUSTRIAL CO., LTD.	No.11-12, LunPin Industrial Road, SanTun area, HouJie Town, Dongguan, Guangdong, China	106	45	61	No	No	0	Injection EVA outsole and midsole
Bottom	China	YIYING (QINGYUAN) FOAMED MATERIALS CO., LTD.	Xin zhuang section, Yin ying road, Long tang town, Qing cheng district, Qing yuan city, Guang dong Province	260	119	141	Yes	No	0	EVA Outsole, EVA Midsole
Bottom	China	GUANGZHOU COLORTECH NEW MATERIALS CO., LTD.	No.18 Jungong Rd, Guangzhou Economy & Technology Development District, 510760 Guangdong, P.R. China	189	66	123	No	No	0	PU Sockliner PU midsole outsole additive chemical raw materials
Tannery	Vietnam	TAI YU LEATHER CO., LTD.	Nhor Trach V Industrial Zone, Hiep Phuoc Town, Trach District, Dong Nai Province, Vietnam	180	65	115	Yes	No	7.8%	Upper leather making for shoes & handbag
Tannery	Vietnam	SAIGON TANTEC LEATHER LTD. ( STL)	Lot M2-M3, Viet Huong 2 Industrial Park An Tay Village, Ben Cat District Binh Duong Province, Vietnam	634	69	565	Yes	No	2.60%	Shoe upper leather, leather laces, leather logos
Tannery	China	ISA TAN TEC LTD. /ISA INDUSTRIAL LTD.	No#1 XingLi Road, Hecheng Town, Heshan City, Guangdong	694	254	440	Yes	No	2%	Shoe upper leather, leather laces, leather logos

## APPENDICES

# SUPPLY CHAIN PARTNER DISCLOSURES (CONTINUED)

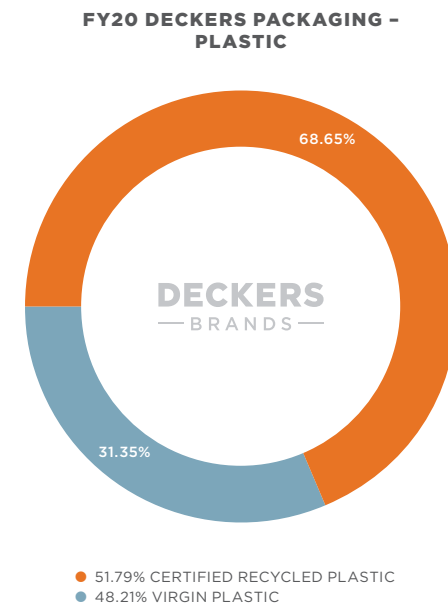
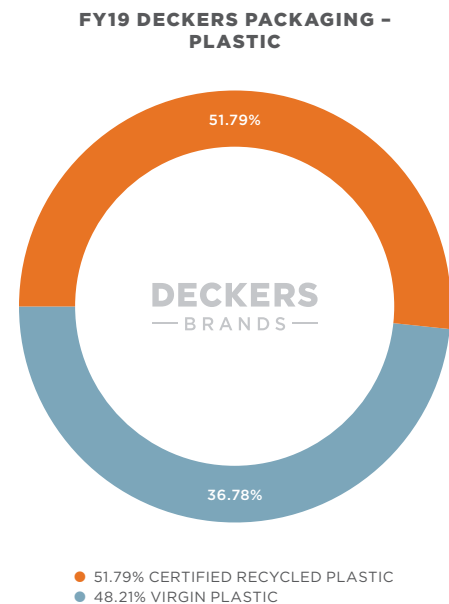
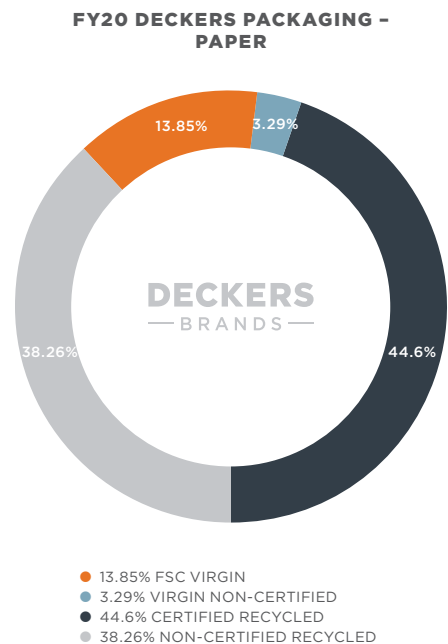
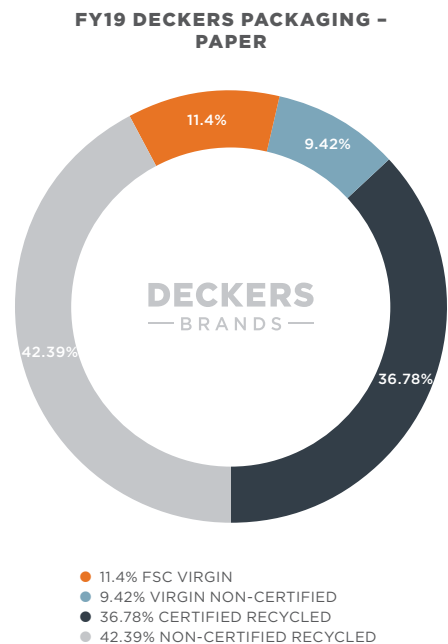
## T2 SUPPLIERS (CONTINUED)

CATEGORY	COUNTRY	FULL NAME OF FACILITY	ADDRESS	NUMBER OF WORKERS	FEMALE	MALE	TRADE UNION	WORKER COMMITTEE	FOREIGN EMPLOYEES PERCENTAGE	SUPPLIER AND PRODUCT TYPE
Tannery	China	SUNRISE DEVELOPMENT LEATHER CO., LTD.	Jiang JiDong, BinHeng Town, GuangNing County, Zhao Qing City, GuangDong Province, China	133	50	83	No	No	0	Wet blue to finished leather (cow suede)
Tannery	China	HENAN PROSPER SKINS & LEATHER ENTERPRISE CO., LTD.	#5 West Industrial Zone Mengzhou, Henan, China	4716	1707	3009	Yes	No	0	Twinface / Tablegrade Sheepskin
Tannery	China	XINJI CITY MEIHUA LEATHER CO., LTD	Tanning Industrial Area of Xinji City, Hebei Province, China	396	129	267	Yes	No	0	Double Face Sheepskin & UGGpure
Tannery	China	ZHANGZHOU XIANGZHOU LEATHER CO., LTD.	Chihu Industrial Area, Zhangpu, Zhangzhou, Fujian, China	388	188	220	Yes	No	0	Cow Split suede, PU Coated Leather
Tannery	China	XINGFENG INT'L(HK) INDUSTRY LIMITED	37 Fukang Rd, Houjie Town, Dongguan City, Guangdong Province, China	312	114	198	No	No	0	Leathers for shoes
Tannery	Thailand	ECCO TANNERY (THAILAND) CO., LTD.	Saharattanakorn Industrial Estate 113/9 Moo 4 Bangprakru Nakornluang Ayutthaya 13260	303	35	268	Yes	No	0	Finished Leather
Tannery	China	SIMONA TANNING (HUIZHOU) LTD., CO.	Xinhu Development Zone, Ma'an Town, Huicheng District, Huizhou City, Guangdong Province	231	95	136	Yes	No	4.30%	Leather
Packaging	China	GUO XIANG PRINTING CO.	No.15, Shen Xi Road, Bai Hao IP, Hou Jie Town, Dong Guan City, Guang Dong Province, China, 523957	124	61	63	Yes	No	0	Size Label, Sticker, Inner Box, Hang Tag, Poly Bag, UPC Barcode Label, Tissue Paper
Packaging	China	GUANGZHOUBAOSHEN SCIENCE & APPLIED TECHNOLOGIES CO., LTD.	68# xiaotang road jiangao Town, Baiyun, district, Guangzhou, 510450P. R, China	1204	602	602	Yes	No	0	Packaging
Packaging	China	STANFORD PACKAGING CO., LTD	He Nan Industrial Area, Jin Xia Village, Chang An, Dong Guan City, Guang Dong, China	172	38	134	No	No	0	Paper shoe box
Packaging	China	V&L PACKAGING CO., LTD.	NO 11, Tan Lien Industrial Zone, Vinh Bao District Hai Phong City, Vietnam	378	83	295	No	No	4%	Paper shoe box

APPENDICES

# PACKAGING LCA ADDITIONAL INFORMATION

## DECKERS



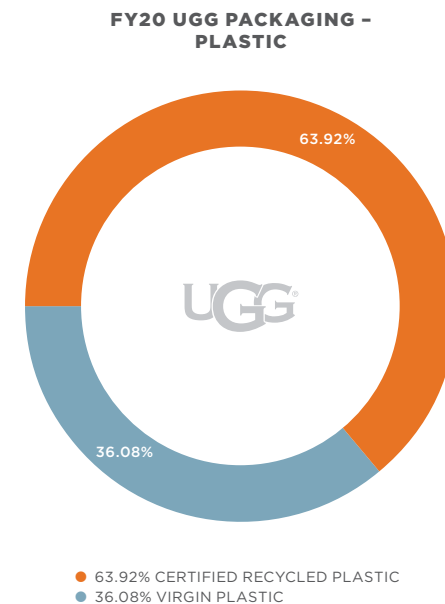
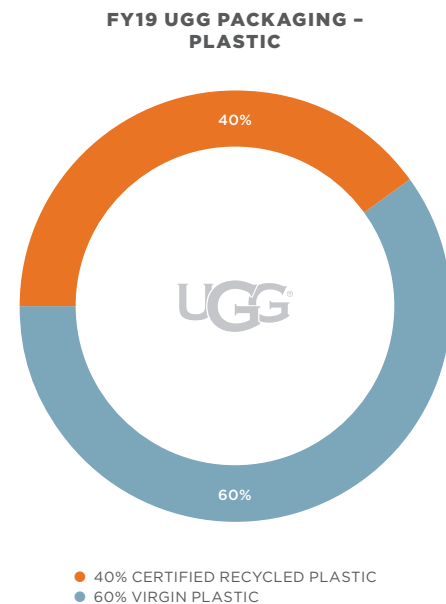
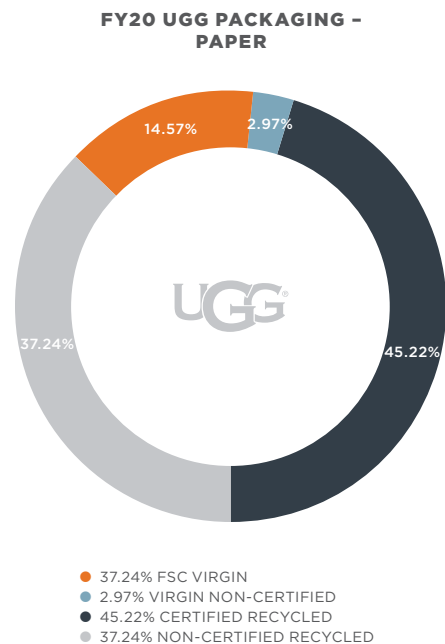
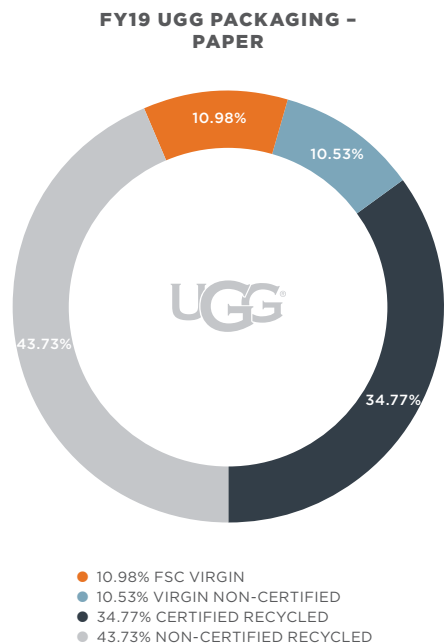
	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>FSC VIRGIN</b>	3,644,530.30	13.14%	4,941,842.60	12.43%	4,213,702.53	11.40%	4,625,046.71	13.85%
<b>VIRGIN NON-CERTIFIED</b>	3,020,748.03	10.89%	3,786,574.69	9.52%	3,481,713.26	9.42%	1,099,925.28	3.29%
<b>CERTIFIED RECYCLED</b>	9,861,281.86	35.55%	14,819,111.39	37.26%	13,588,862.27	36.78%	14,898,933.61	44.60%
<b>NON-CERTIFIED RECYCLED</b>	11,214,980.20	40.43%	16,221,273.75	40.79%	15,662,305.82	42.39%	12,781,587.74	38.26%
<b>TOTAL</b>	27,741,540.39	100.00%	39,768,802.44	100.00%	36,946,583.88	100.00%	33,405,493.33	100.00%

	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>CERTIFIED RECYCLED PLASTIC</b>	157,796.29	32.50%	381,814.66	47.39%	435,149.67	51.79%	454,033.49	68.65%
<b>VIRGIN PLASTIC</b>	327,724.49	67.50%	423,952.96	52.61%	405,021.01	48.21%	207,353.29	31.35%
<b>TOTAL</b>	485,520.78	100.00%	805,767.62	100.00%	840,170.68	100.00%	661,386.78	100.00%

APPENDICES

# PACKAGING LCA ADDITIONAL INFORMATION (CONTINUED)

UGG



	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>FSC VIRGIN</b>	2,769,061.35	13.0%	3,975,178.91	12.4%	3,160,355.21	11.0%	3,474,600.52	14.6%
<b>VIRGIN NON-CERTIFIED</b>	2,527,724.34	11.9%	3,321,107.83	10.3%	3,031,074.55	10.5%	709,045.72	3.0%
<b>CERTIFIED RECYCLED</b>	7,101,909.67	33.4%	11,519,651.84	35.9%	10,010,394.57	34.8%	10,783,342.56	45.2%
<b>NON-CERTIFIED RECYCLED</b>	8,848,764.18	41.6%	13,279,725.27	41.4%	12,589,459.11	43.7%	8,881,926.69	37.2%
<b>TOTAL</b>	21,247,459.55	100.0%	32,095,663.85	100.0%	28,791,283.43	100.0%	23,848,915.49	100.0%

	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>CERTIFIED RECYCLED PLASTIC</b>	57,161.64	22.6%	208,990.29	48.0%	171,263.43	40.0%	265,191.52	63.9%
<b>VIRGIN PLASTIC</b>	195,950.26	77.4%	226,199.43	52.0%	256,881.32	60.0%	149,680.51	36.1%
<b>TOTAL</b>	253,111.91	100.0%	435,189.72	100.0%	428,144.75	100.0%	414,872.02	100.0%

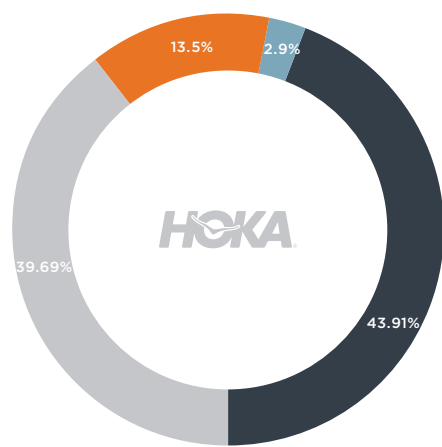


APPENDICES

# PACKAGING LCA ADDITIONAL INFORMATION (CONTINUED)

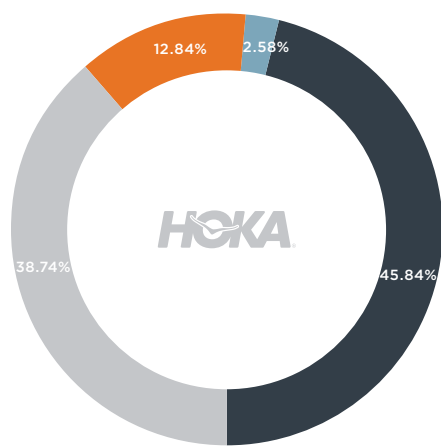
**HOKA**

**FY19 HOKA PACKAGING - PAPER**



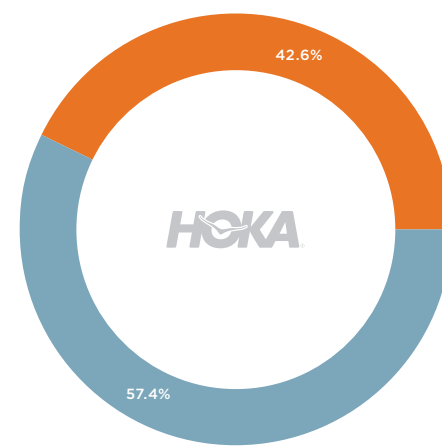
- 13.5% FSC VIRGIN
- 2.9% VIRGIN NON-CERTIFIED
- 43.91% CERTIFIED RECYCLED
- 39.69% NON-CERTIFIED RECYCLED

**FY20 HOKA PACKAGING - PAPER**



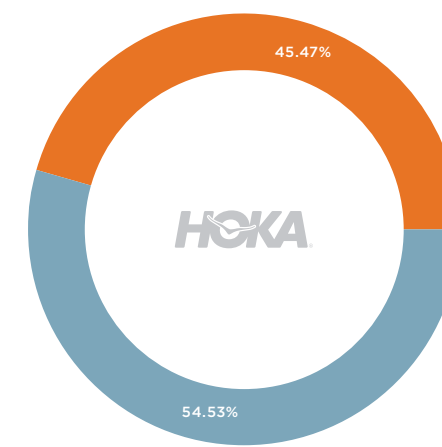
- 12.84% FSC VIRGIN
- 2.58% VIRGIN NON-CERTIFIED
- 45.84% CERTIFIED RECYCLED
- 38.74% NON-CERTIFIED RECYCLED

**FY19 HOKA PACKAGING - PLASTIC**



- 42.6% CERTIFIED RECYCLED PLASTIC
- 57.4% VIRGIN PLASTIC

**FY20 HOKA PACKAGING - PLASTIC**



- 45.47% CERTIFIED RECYCLED PLASTIC
- 54.53% VIRGIN PLASTIC

	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>FSC VIRGIN</b>	266,836.35	13.6%	399,035.30	13.6%	525,722.27	13.5%	781,593.05	12.8%
<b>VIRGIN NON-CERTIFIED</b>	56,711.86	2.9%	82,406.65	2.8%	113,045.88	2.9%	156,937.24	2.6%
<b>CERTIFIED RECYCLED</b>	858,159.43	43.9%	1,299,589.34	44.3%	1,709,575.78	43.9%	2,789,342.68	45.8%
<b>NON-CERTIFIED RECYCLED</b>	774,206.29	39.6%	1,153,988.07	39.3%	1,545,430.87	39.7%	2,357,356.17	38.7%
<b>TOTAL</b>	<b>1,955,913.94</b>	<b>100.0%</b>	<b>2,935,019.36</b>	<b>100.0%</b>	<b>3,893,774.80</b>	<b>100.0%</b>	<b>6,085,229.14</b>	<b>100.0%</b>

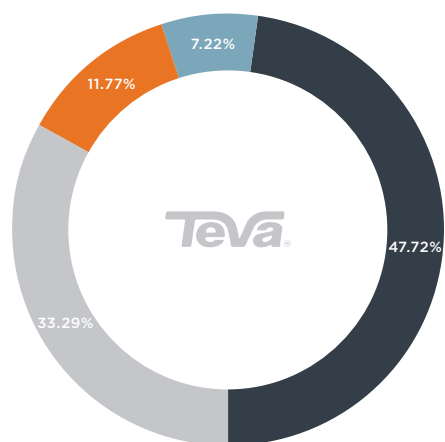
	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>CERTIFIED RECYCLED PLASTIC</b>	312.32	1.3%	5,645.05	19.3%	19,112.51	42.6%	26,155.34	45.5%
<b>VIRGIN PLASTIC</b>	22,910.04	98.7%	23,666.55	80.7%	25,749.85	57.4%	31,368.26	54.5%
<b>TOTAL</b>	<b>23,222.36</b>	<b>100.0%</b>	<b>29,311.59</b>	<b>100.0%</b>	<b>44,862.37</b>	<b>100.0%</b>	<b>57,523.61</b>	<b>100.0%</b>

APPENDICES

# PACKAGING LCA ADDITIONAL INFORMATION (CONTINUED)

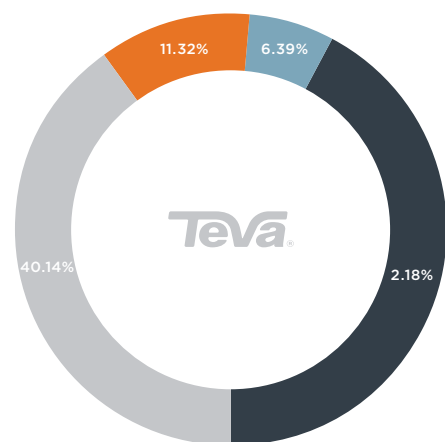
TEVA

FY19 TEVA PACKAGING - PAPER



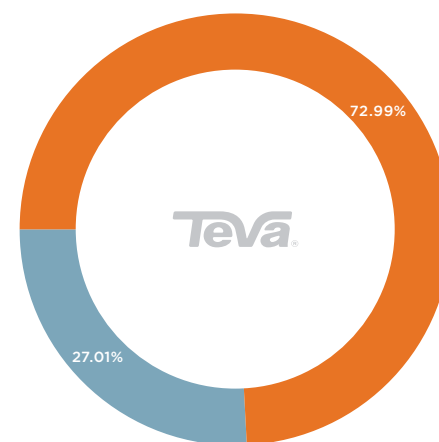
- 11.77% FSC VIRGIN
- 7.22% VIRGIN NON-CERTIFIED
- 47.72% CERTIFIED RECYCLED
- 33.29% NON-CERTIFIED RECYCLED

FY20 TEVA PACKAGING - PAPER



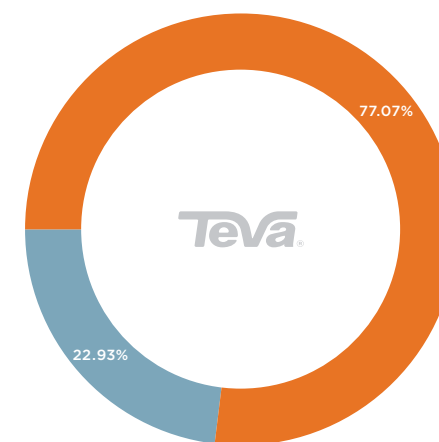
- 11.32% FSC VIRGIN
- 6.36% VIRGIN NON-CERTIFIED
- 42.18% CERTIFIED RECYCLED
- 40.14% NON-CERTIFIED RECYCLED

FY19 TEVA PACKAGING - PLASTIC



- 72.99% CERTIFIED RECYCLED PLASTIC
- 27.01% VIRGIN PLASTIC

FY20 TEVA PACKAGING - PLASTIC



- 77.07% CERTIFIED RECYCLED PLASTIC
- 22.93% VIRGIN PLASTIC

	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>FSC VIRGIN</b>	477,322.96	12.2%	404,619.69	11.5%	371,475.85	11.8%	336,705.14	11.3%
<b>VIRGIN NON-CERTIFIED</b>	389,955.88	10.0%	307,290.09	8.7%	227,975.92	7.2%	188,983.91	6.4%
<b>CERTIFIED RECYCLED</b>	1,768,361.37	45.3%	1,679,457.32	47.8%	1,506,589.59	47.7%	1,254,189.28	42.2%
<b>NON-CERTIFIED RECYCLED</b>	1,270,115.62	32.5%	1,124,580.57	32.0%	1,051,138.42	33.3%	1,193,359.43	40.1%
<b>TOTAL</b>	<b>3,905,755.83</b>	<b>100.0%</b>	<b>3,515,947.67</b>	<b>100.0%</b>	<b>3,157,179.78</b>	<b>100.0%</b>	<b>2,973,237.77</b>	<b>100.0%</b>

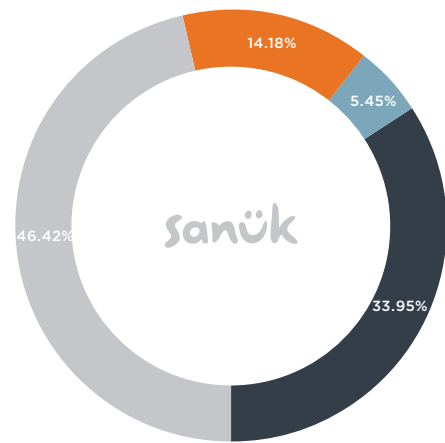
	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>CERTIFIED RECYCLED PLASTIC</b>	40,490.80	41.2%	34,672.13	41.7%	73,912.81	73.0%	63,335.80	77.1%
<b>VIRGIN PLASTIC</b>	57,811.63	58.8%	48,500.75	58.3%	27,354.69	27.0%	18,840.14	22.9%
<b>TOTAL</b>	<b>98,302.43</b>	<b>100.0%</b>	<b>83,172.88</b>	<b>100.0%</b>	<b>101,267.50</b>	<b>100.0%</b>	<b>82,175.94</b>	<b>100.0%</b>

APPENDICES

# PACKAGING LCA ADDITIONAL INFORMATION (CONTINUED)

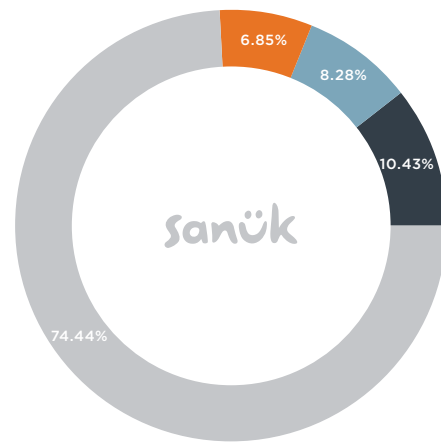
**SANUK**

**FY19 SANUK PACKAGING - PAPER**



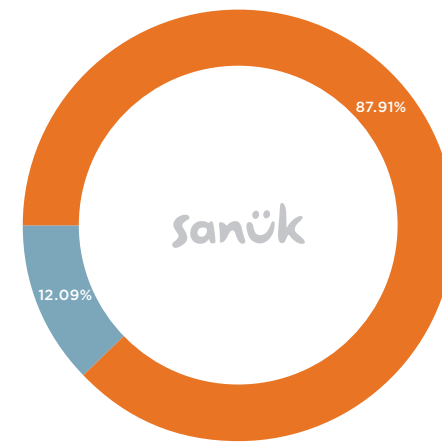
- 14.18% FSC VIRGIN
- 5.45% VIRGIN NON-CERTIFIED
- 33.95% CERTIFIED RECYCLED
- 46.42% NON-CERTIFIED RECYCLED

**FY20 SANUK PACKAGING - PAPER**



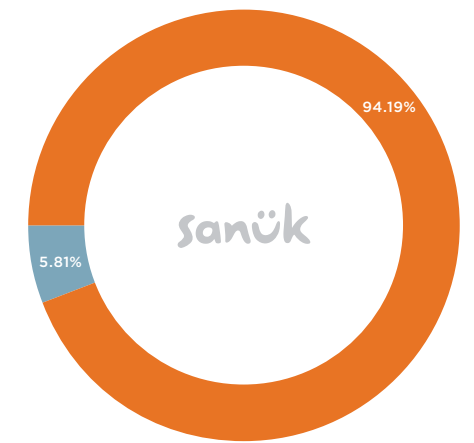
- 6.85% FSC VIRGIN
- 8.28% VIRGIN NON-CERTIFIED
- 10.43% CERTIFIED RECYCLED
- 74.44% NON-CERTIFIED RECYCLED

**FY19 SANUK PACKAGING - PLASTIC**



- 87.91% CERTIFIED RECYCLED PLASTIC
- 12.09% VIRGIN PLASTIC

**FY20 SANUK PACKAGING - PLASTIC**



- 94.19% CERTIFIED RECYCLED PLASTIC
- 5.81% VIRGIN PLASTIC

	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>FSC VIRGIN</b>	477,322.96	12.2%	404,619.69	11.5%	371,475.85	11.8%	336,705.14	11.3%
<b>VIRGIN NON-CERTIFIED</b>	389,955.88	10.0%	307,290.09	8.7%	227,975.92	7.2%	188,983.91	6.4%
<b>CERTIFIED RECYCLED</b>	1,768,361.37	45.3%	1,679,457.32	47.8%	1,506,589.59	47.7%	1,254,189.28	42.2%
<b>NON-CERTIFIED RECYCLED</b>	1,270,115.62	32.5%	1,124,580.57	32.0%	1,051,138.42	33.3%	1,193,359.43	40.1%
<b>TOTAL</b>	<b>3,905,755.83</b>	<b>100.0%</b>	<b>3,515,947.67</b>	<b>100.0%</b>	<b>3,157,179.78</b>	<b>100.0%</b>	<b>2,973,237.77</b>	<b>100.0%</b>

	FY17 LBS	%	FY18 LBS	%	FY19 LBS	%	FY20 LBS	%
<b>CERTIFIED RECYCLED PLASTIC</b>	59,831.53	54.5%	132,507.20	51.6%	170,860.92	87.9%	99,350.82	94.2%
<b>VIRGIN PLASTIC</b>	50,000.40	45.5%	124,391.74	48.4%	23,487.69	12.1%	6,130.45	5.8%
<b>TOTAL</b>	<b>109,831.93</b>	<b>100.0%</b>	<b>256,898.94</b>	<b>100.0%</b>	<b>194,348.61</b>	<b>100.0%</b>	<b>105,481.27</b>	<b>100.0%</b>

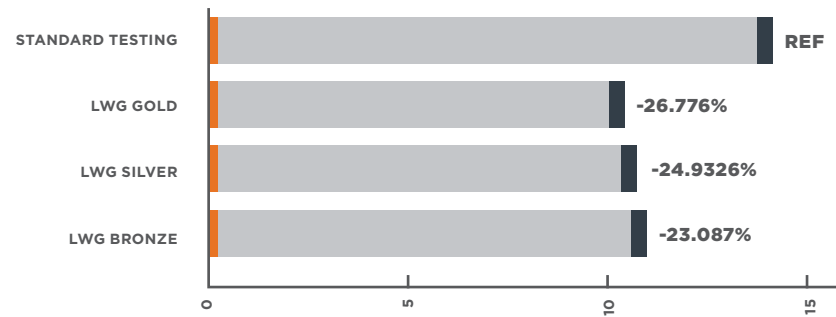
APPENDICES

# PRODUCT MATERIALS LCA ADDITIONAL INFORMATION

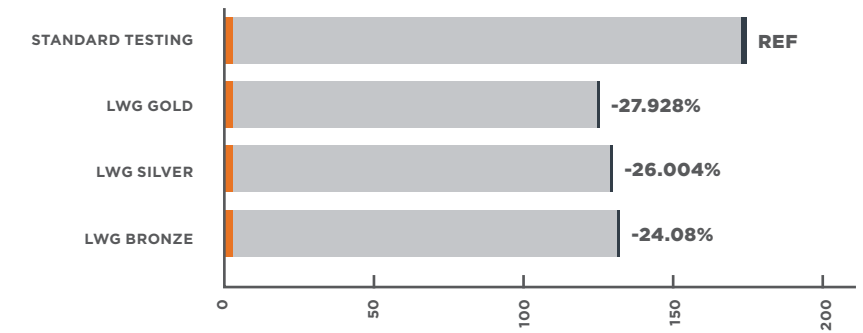
## LEATHER WORKING GROUP (LWG) LEATHER VS. STANDARD TANNING (COMPARING 1 SQ. FT. OF LWG LEATHER TO STANDARD)

● MATERIAL ● MANUFACTURING ● END OF LIFE ● TRANSPORTATION ● USE PHASE

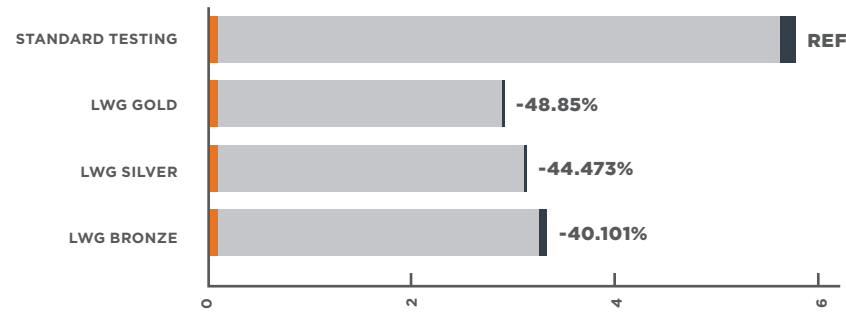
GHG EMISSIONS - WITH CARBON UPTAKE (KG CO2 EQ.)



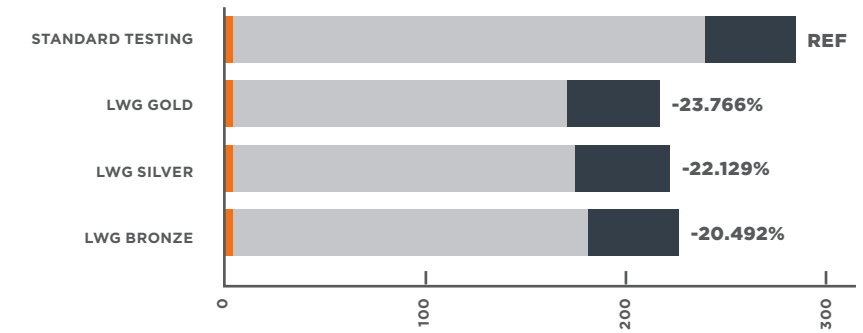
FOSSIL FUEL USE (MJ DEPRIVED)



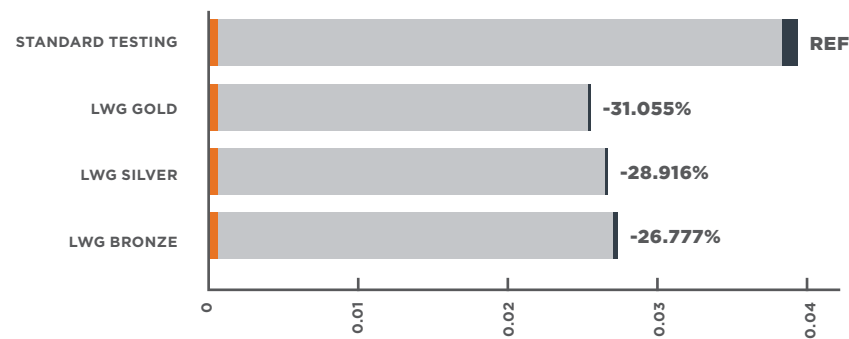
WATER USE (LITERS)



FRESHWATER ECOTOXICITY (CTUE)



FRESHWATER EUTROPHICATION (KG PO4 EQ.)



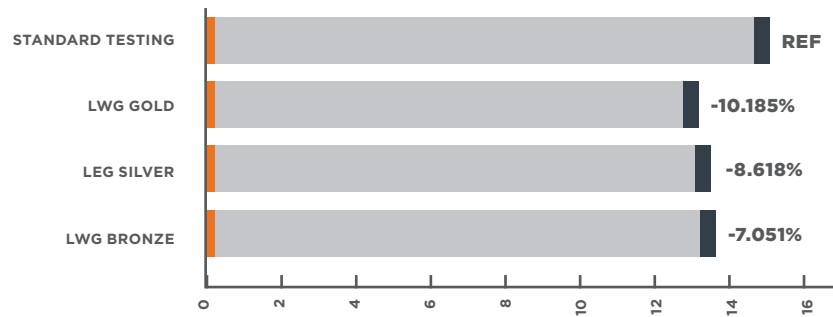
APPENDICES

# PRODUCT MATERIALS LCA ADDITIONAL INFORMATION (CONTINUED)

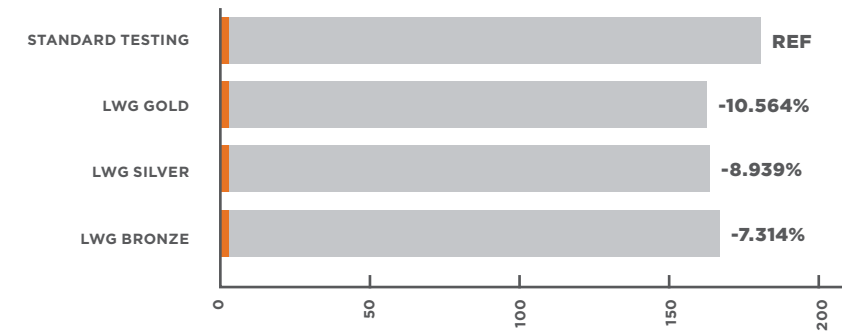
## LWG SHEEPSKIN VS. STANDARD SHEEPSKIN (COMPARING 1 SQ. FT. OF LWG SHEEPSKIN TO STANDARD)

● MATERIAL ● MANUFACTURING ● END OF LIFE ● TRANSPORTATION ● USE PHASE

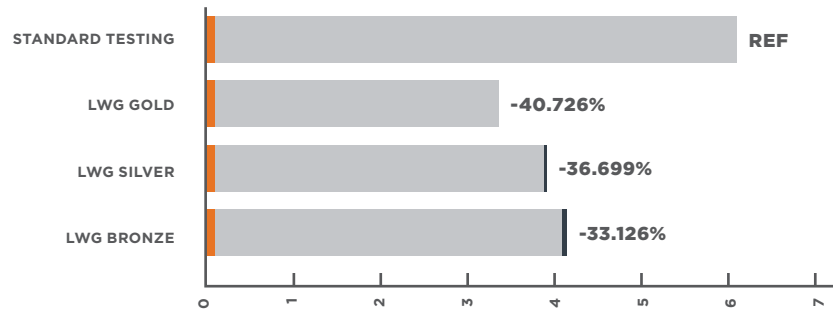
GHG EMISSIONS - WITH CARBON UPTAKE (KG CO2 EQ.)



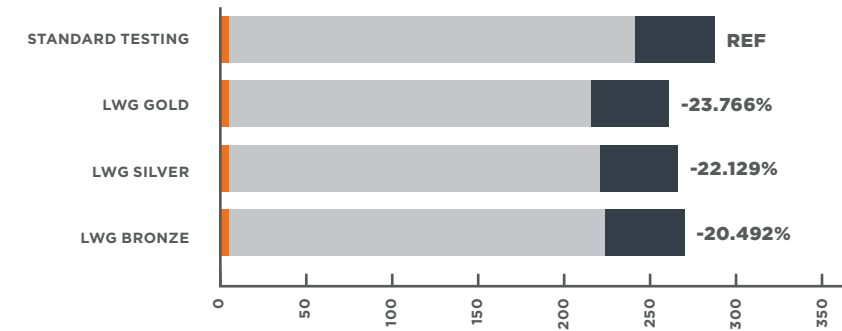
FOSSIL FUEL USE (MJ DEPRIVED)



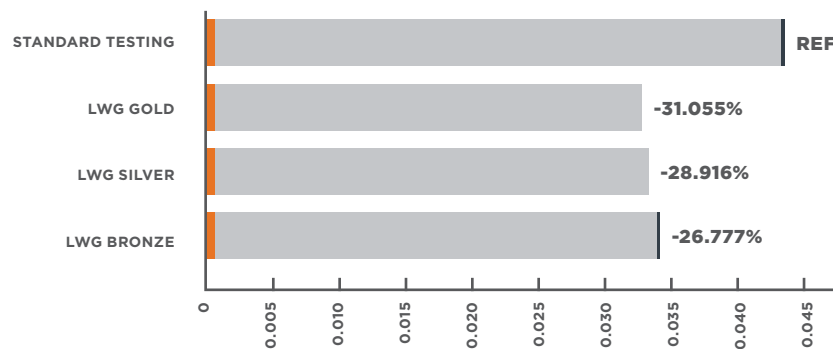
USE (LITERS)



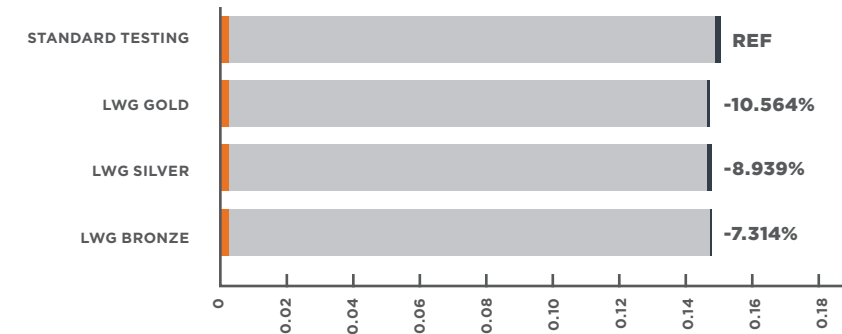
FRESHWATER ECOTOXICITY (CTUE)



FRESHWATER EUTROPHICATION (KG PO4 EQ.)



MINERAL USE (KG DEPRIVED)





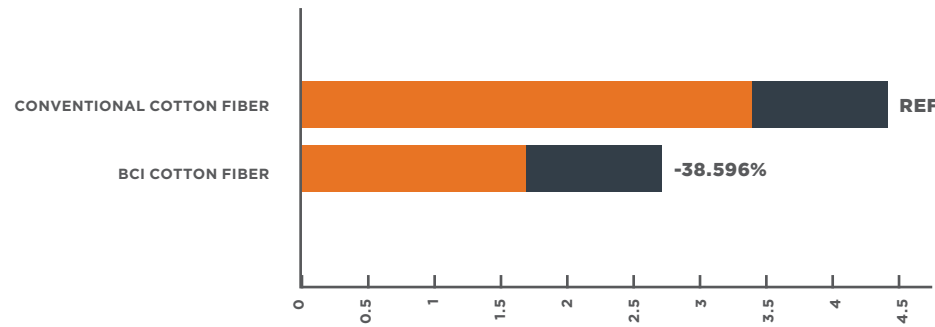
APPENDICES

# PRODUCT MATERIALS LCA ADDITIONAL INFORMATION (CONTINUED)

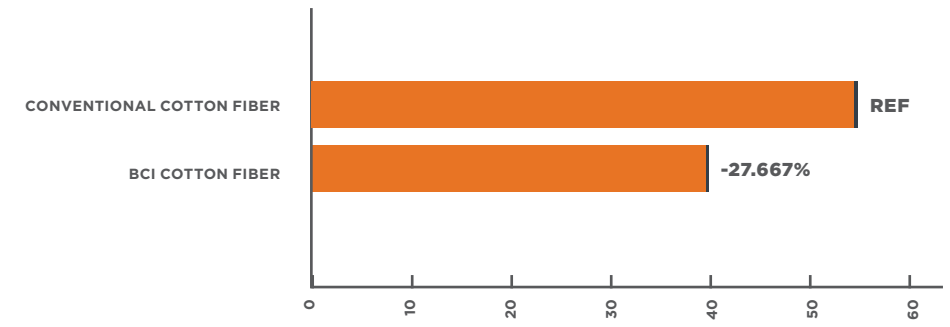
## CONVENTIONAL COTTON VS. BCI COTTON (1 KG OF RAW FIBER)

● MATERIAL ● MANUFACTURING ● END OF LIFE ● TRANSPORTATION ● USE PHASE

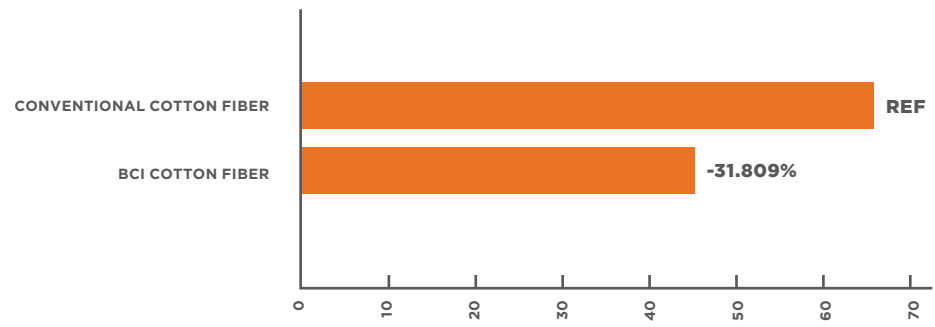
GHG EMISSIONS - WITH CARBON UPTAKE (KG CO2 EQ.)



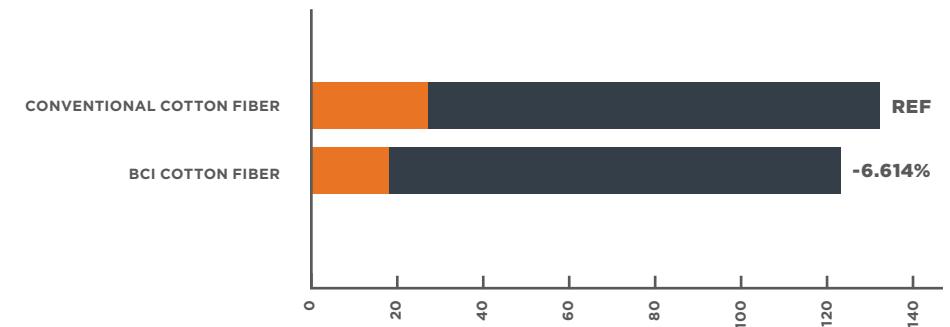
FOSSIL FUEL USE (MJ DEPRIVED)



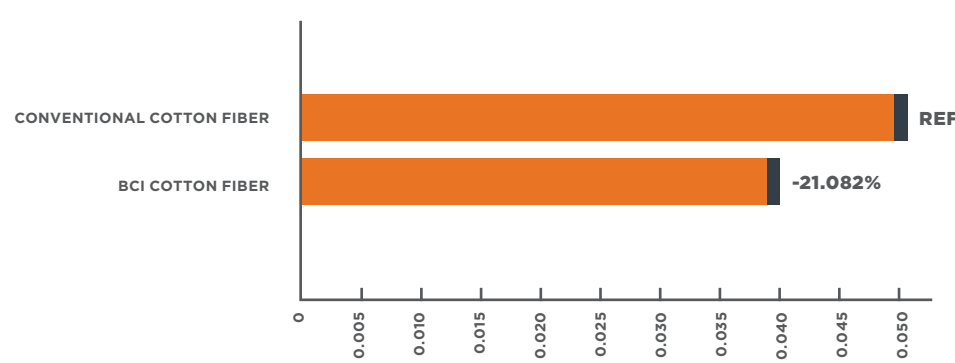
WATER USE (LITERS)



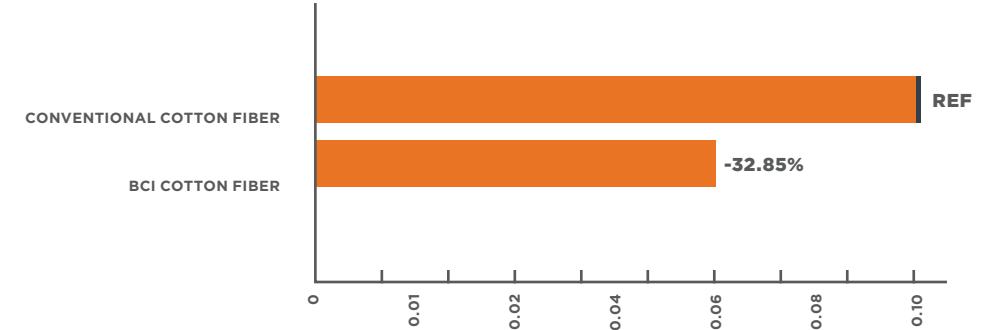
FRESHWATER ECOTOXICITY (CTUE)



FRESHWATER EUTROPHICATION (KG PO4 EQ.)



MINERAL USE (KG DEPRIVED)



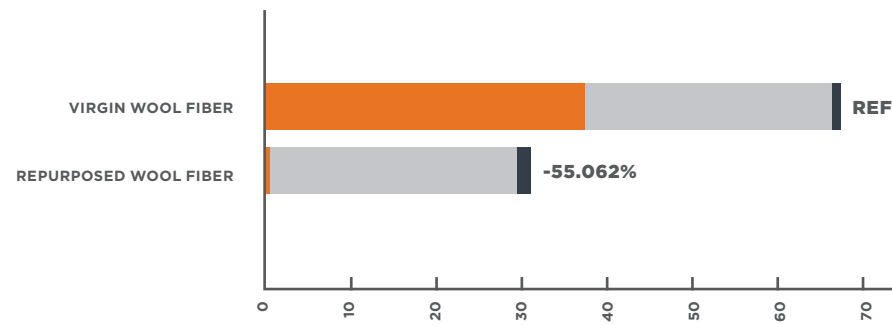
APPENDICES

# PRODUCT MATERIALS LCA ADDITIONAL INFORMATION (CONTINUED)

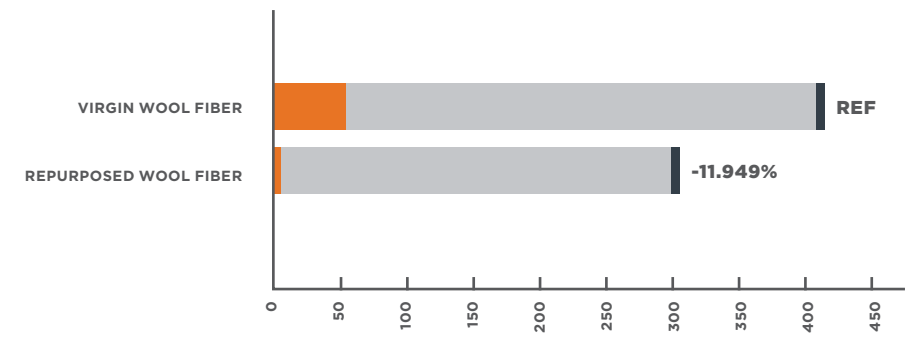
## RAW VIRGIN MARKET WOOL FIBER VS RAW REPURPOSED WOOL FIBER (1 KG OF RAW FIBER)

● MATERIAL ● MANUFACTURING ● END OF LIFE ● TRANSPORTATION ● USE PHASE

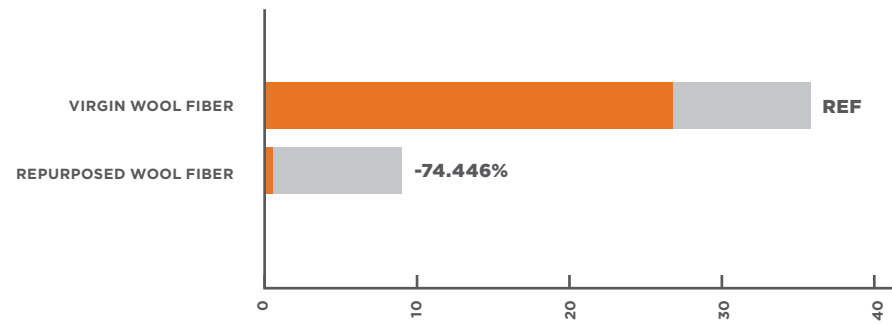
GHG EMISSIONS - WITH CARBON UPTAKE (KG CO2 EQ.)



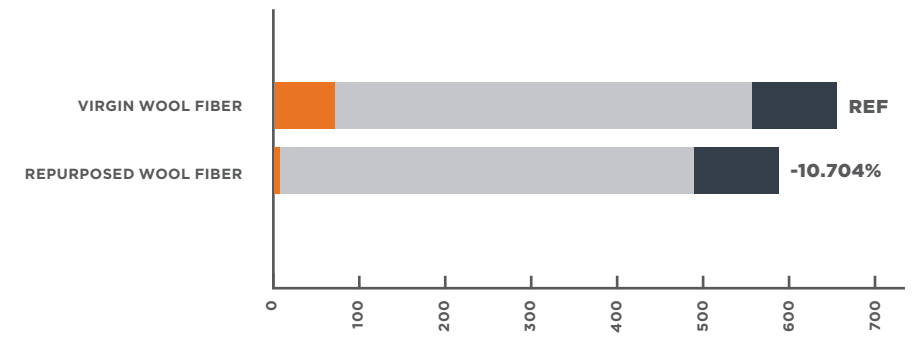
FOSSIL FUEL USE (MJ DEPRIVED)



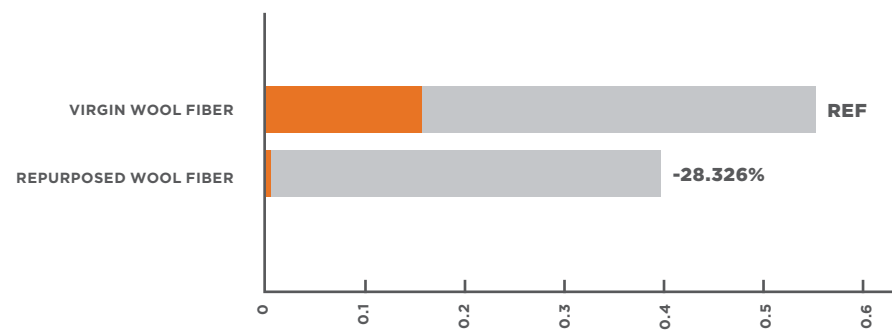
WATER USE (LITERS)



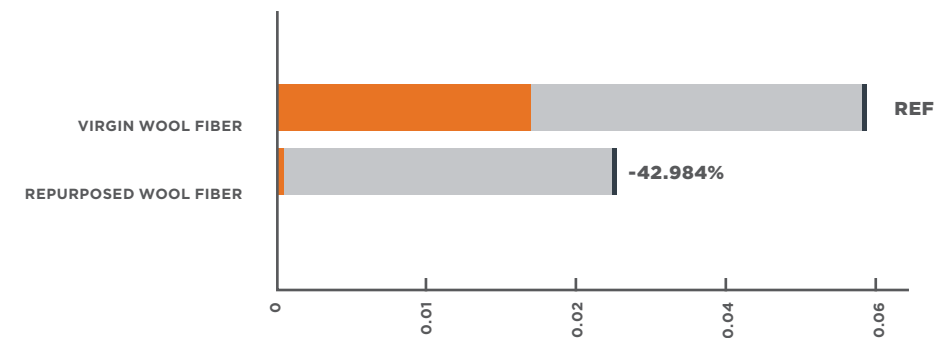
FRESHWATER ECOTOXICITY (CTUE)



FRESHWATER EUTROPHICATION (KG PO4 EQ.)



MINERAL USE (KG DEPRIVED)



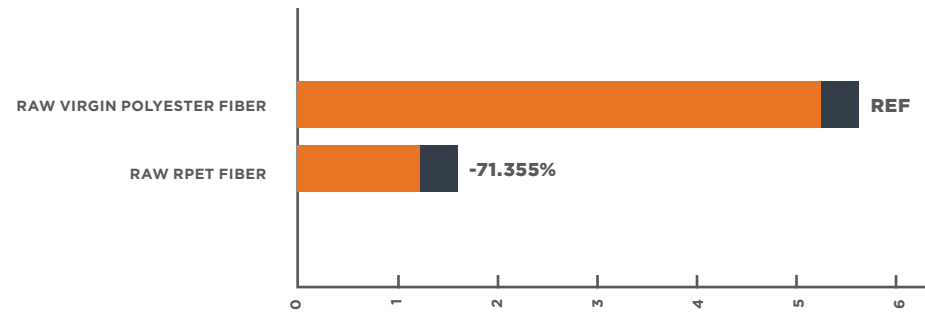
APPENDICES

# PRODUCT MATERIALS LCA ADDITIONAL INFORMATION (CONTINUED)

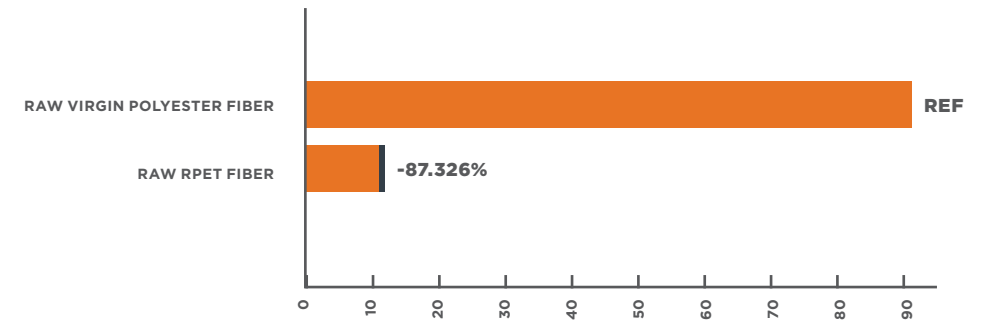
## RAW VIRGIN POLYESTER FIBER VS RAW RPET FIBER (PLASTIC PET BOTTLE WASTE AND OTHER PET FOOD GRADE & CONSUMER PACKAGING WASTE)

● MATERIAL ● MANUFACTURING ● END OF LIFE ● TRANSPORTATION ● USE PHASE

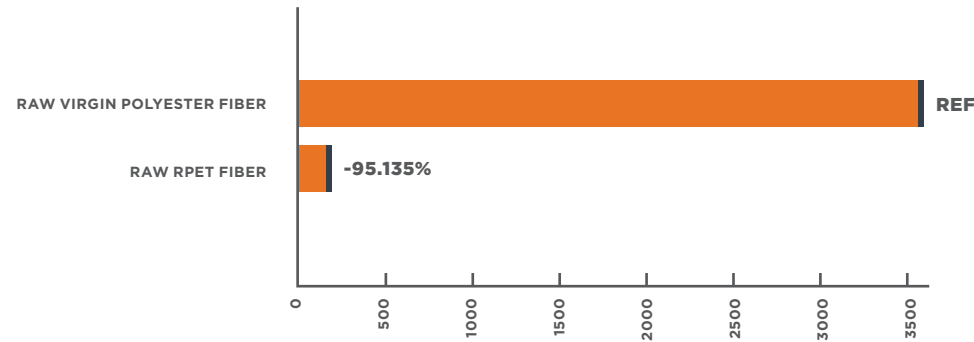
GHG EMISSIONS - WITH CARBON UPTAKE (KG CO2 EQ.)



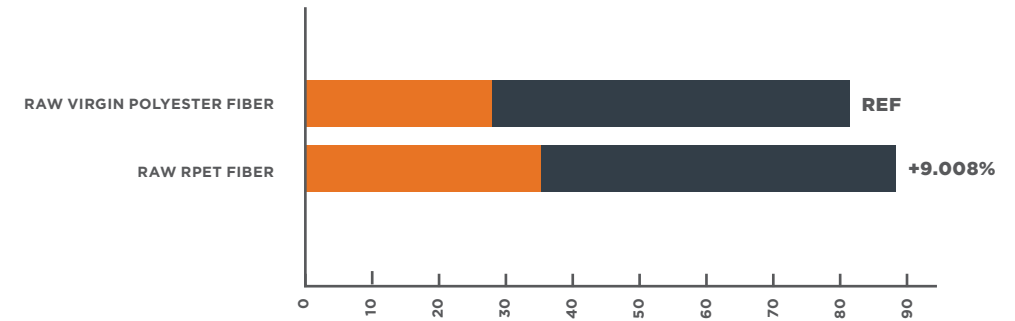
FOSSIL FUEL USE (MJ DEPRIVED)



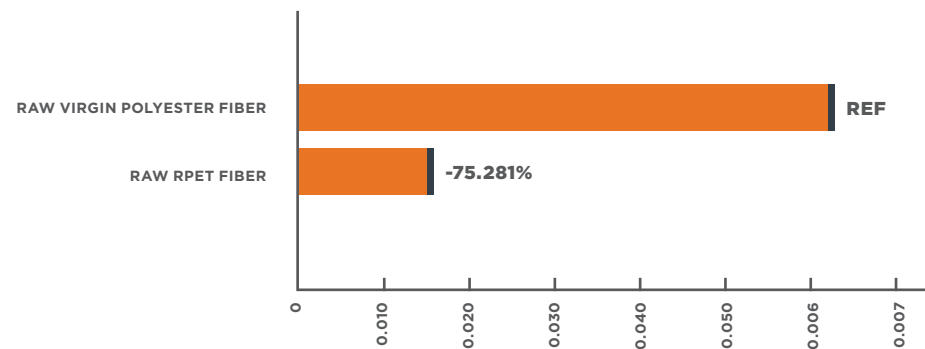
WATER USE (LITERS)



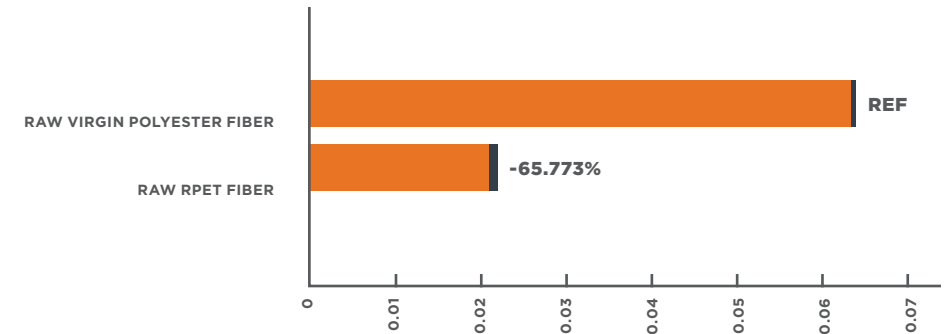
FRESHWATER ECOTOXICITY (CTUE)



FRESHWATER EUTROPHICATION (KG PO4 EQ.)



MINERAL USE (KG DEPRIVED)



APPENDICES

# FY20 DISCLOSURES - GRI CONTENT INDEX

The FY20 'Creating Change' Corporate Responsibility and Sustainability Report has been produced in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

## GENERAL DISCLOSURE CATEGORY

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>ORGANIZATIONAL PROFILE</b>			
102-1	Name of Organization	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> </ul>	
102-2	Activities, brands, products and services	<ul style="list-style-type: none"> <li><b>DECKERS BRANDS IN SUMMARY - FY20</b> - pg 6</li> </ul>	
102-3	Location of headquarters		
102-4	Location of operations	<ul style="list-style-type: none"> <li><b>FY20 ANNUAL REPORT</b></li> </ul>	
102-5	Ownership and legal form	<ul style="list-style-type: none"> <li><b>FY20 ANNUAL REPORT</b> - pg 3</li> </ul>	
102-6	Markets served	<ul style="list-style-type: none"> <li><b>FY20 ANNUAL REPORT</b></li> <li>FY20 Creating Change Report</li> <li><b>DECKERS BRANDS IN SUMMARY - FY20</b> - pg 6-7</li> </ul>	
102-7	Scale of Organization	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>DECKERS BRANDS IN SUMMARY - FY20</b> - pg 6</li> <li><b>FY20 ANNUAL REPORT</b> - pg 4-8, 10-11</li> </ul>	
102-8	Information on employees and other workers	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>OUR PEOPLE</b> - pg 42</li> </ul>	
102-9	Supply Chain	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>HUMAN RIGHTS - PG 31</b></li> <li><b>FY20 ANNUAL REPORT</b> - pg 6-7</li> </ul>	
102-10	Significant changes to the organization and its supply chain	<ul style="list-style-type: none"> <li><b>FY20 ANNUAL REPORT</b> - pg 3-4, 6-7, 31, and 36-40</li> </ul>	

## GENERAL DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>ORGANIZATIONAL PROFILE (CONTINUED)</b>			
102-11	Precautionary principle or approach		Our approach for our SDGs is aligned with the GRI to determine topics that are important to both our stakeholders and to the sustainable growth of our business. In addition, we use a precautionary approach, meaning we strive to protect the environment even in the absence of scientific certainty or regulatory requirements
102-12	External initiatives	<ul style="list-style-type: none"> <li>FY 20 Creating Change Report</li> <li><b>STAKEHOLDER ENGAGEMENT</b> - pg 34</li> <li><b>MATERIALS AND SDGS PARTNERSHIPS</b> - pg 128</li> <li><b>SOCIAL RESPONSIBILITY COLLABORATION</b> - pg 136</li> </ul>	
102-13	Membership of association	<ul style="list-style-type: none"> <li><b>MATERIALS AND SDGS PARTNERSHIPS</b> - pg 128</li> <li><b>SOCIAL RESPONSIBILITY COLLABORATION</b> - pg 136</li> </ul>	
102-14	Statement from senior decision maker	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>MESSAGE FROM OUR CEO</b> - pg 11</li> </ul>	
102-15	Key impacts, risks, and opportunities	<ul style="list-style-type: none"> <li>FY 20 Creating Change Report</li> <li><b>FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</b> - pg 14-31</li> <li><b>FY20 ANNUAL REPORT</b> - pg 11-30</li> </ul>	
102-16	Values, principles, standards, and norms of behavior	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>COMPANY VALUES</b> - pg 35</li> <li><b>DECKERS.COM/RESPONSIBILITY</b></li> </ul>	

APPENDICES

# FY20 DISCLOSURES - GRI CONTENT INDEX (CONTINUED)

## GENERAL DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>GOVERNANCE (CONTINUED)</b>			
102-17	Mechanisms for advice and concerns about ethics	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>HOTLINE METRICS</b> - pg 37</li> </ul>	
102-18	Governance structure	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>PROGRAM GOVERNANCE</b> - pg 32</li> </ul>	
102-19	Delegating Authority		
102-20	Executive level responsible for economic, environmental and social topics	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>PROGRAM GOVERNANCE</b> - pg 32</li> <li><b>STAKEHOLDER ENGAGEMENT</b> - pg 34</li> </ul>	
102-21	Consulting stakeholders on economic, environmental and social topics		
102-22	Composition of the highest governance body and its committees	<ul style="list-style-type: none"> <li><b>FY20 PROXY STATEMENT</b> - pg ii, 39</li> </ul>	
102-23	Chair of highest governance body		
102-24	Nominating and selecting the highest governance body		
102-25	Conflicts of Interest	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>EMPLOYEE TRAINING</b> - pg 36</li> </ul>	

## GENERAL DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>GOVERNANCE (CONTINUED)</b>			
102-26	Role of highest governance body in setting purpose, values and strategy	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>PROGRAM GOVERNANCE</b> - pg 32</li> <li><b>FY20 PROXY STATEMENT</b> - pg 43</li> </ul>	
102-27	Collective knowledge of highest governance body		
102-28	Evaluating the highest governance body's performance		
102-29	Identifying and managing economic, environmental, and social impacts		
102-30	Effectiveness of risk management processes		
102-31	Review of economic, environmental and social topics		
102-32	Highest governance body's role in sustainability reporting		
102-33	Communicating critical concerns		
102-34	Nature and total number of critical concerns		



APPENDICES

# FY20 DISCLOSURES - GRI CONTENT INDEX (CONTINUED)

## GENERAL DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>GOVERNANCE (CONTINUED)</b>			
102-35	Remuneration policies	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> </ul>	
102-36	Process for determining remuneration	<ul style="list-style-type: none"> <li><b>BOARD OF DIRECTORS</b> - pg 43</li> <li><b>FY20 GOVERNANCE PROFILE</b> - pg 43</li> <li><b>FY20 PROXY STATEMENT</b> - pg 43</li> </ul>	
102-37	Stakeholders involvement in remuneration		
102-38	Total compensation ratio		
102-39	Percentage increase in annual total compensation ratio		
102-40	List of stakeholder groups	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>STAKEHOLDER ENGAGEMENT</b> - pg 34</li> </ul>	
102-41	Collective bargaining agreements	<ul style="list-style-type: none"> <li>See Ethical Supply Chain Supplier Code of Conduct on <b>DECKERS.COM/RESPONSIBILITY</b></li> </ul>	Our supply chain partners must respect the right of employees to freely associate and collectively bargain
102-42	Identifying and selecting stakeholders	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>STAKEHOLDER ENGAGEMENT</b> - pg 34</li> </ul>	
102-43	Approach to stakeholder engagement		
102-44	Key topics and concerns raised	<ul style="list-style-type: none"> <li>FY20 Creating Change Report - pg 14-31</li> </ul>	We have not done a materiality assessment at this time. Rather, the key topics and concerns raised are covered under our sustainable development goals.
102-45	Entities included in consolidated financial statements	<ul style="list-style-type: none"> <li><b>FY20 ANNUAL REPORT</b></li> <li><b>FY20 ANNUAL REPORT EXHIBIT 21.1</b></li> </ul>	

## GENERAL DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>GOVERNANCE (CONTINUED)</b>			
102-46	Defining report content and topic boundaries	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</b> - pg 14</li> </ul>	
102-47	List of material topics	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</b> - pg 14</li> </ul>	
102-48	Restatements of information		The reasoning behind any information as well as the impact of changes to methodology, data quality, availability, etc. are outlined throughout this report in the relevant sections and disclosures
102-49	Changes in report period	<ul style="list-style-type: none"> <li>None</li> </ul>	
102-50	Reporting period	<ul style="list-style-type: none"> <li>April 1, 2019 - March 31, 2020</li> </ul>	
102-51	Date of most recent report	<ul style="list-style-type: none"> <li><b>FY19 CR REPORT</b> published September 2019</li> </ul>	
102-52	Reporting cycle	<ul style="list-style-type: none"> <li>Annual</li> </ul>	
102-53	Contact point for questions regarding the report	<ul style="list-style-type: none"> <li><b>CR@DECKERS.COM</b></li> </ul>	
102-54	Claims of reporting in accordance with the GRI Standards	<ul style="list-style-type: none"> <li>FY20 Creating Change Report</li> <li><b>ADDITIONAL INFORMATION - PG 144</b></li> </ul>	
102-55	GRI Content Index		<ul style="list-style-type: none"> <li>This document is the GRI Content Index for FY20</li> </ul>

APPENDICES

# FY20 DISCLOSURES - GRI CONTENT INDEX (CONTINUED)

## GENERAL DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>GOVERNANCE (CONTINUED)</b>			
102-56	External Assurance		The content of this report was not reviewed or verified by an external third-party

## ECONOMIC DISCLOSURE CATEGORY

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>ECONOMIC PERFORMANCE</b>			
103-1	Explanation of the material topic and its boundary	<ul style="list-style-type: none"> <li>▪ <b>FY20 ANNUAL REPORT</b> - Business section</li> <li>▪ Part I, Item 1</li> <li>▪ Part I, Item 1A</li> </ul>	
103-2	The management approach and its components	▪ <b>FY20 ANNUAL REPORT</b> - pg 36-42	
103-3	Evaluation of the management approach		
105-2	Communication and training about anti-corruption policies and procedures	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>EMPLOYEE TRAINING</b> - pg 36</li> <li>▪ <b>POLICIES</b> - pg 36</li> <li>▪ <b>FY20 ANNUAL REPORT</b> - 11</li> </ul>	
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>▪ <b>FY20 ANNUAL REPORT</b></li> <li>▪ Part II, Item 6</li> <li>▪ Part II, Item 7</li> <li>▪ Part IV</li> </ul>	We do not currently disclose this information
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		We do not currently disclose this information

## ENVIRONMENT DISCLOSURE CATEGORY

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>MATERIALS</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>MATERIALS</b> - pg 92</li> </ul>	
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
301-2	Recycled input materials used		
<b>ENERGY</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>CLIMATE AND CLEAN ENERGY</b> - pg 82</li> </ul>	
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
302-1	Energy consumption within the organization	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>CLIMATE AND CLEAN ENERGY</b> - pg 82</li> <li>▪ <b>ELECTRICITY USAGE</b> - pg 86</li> <li>▪ <b>CORPORATE HEADQUARTERS</b> - pg 86</li> <li>▪ <b>DISTRIBUTION CENTER</b> - pg 88</li> <li>▪ <b>RETAIL STORE LOCATIONS</b> - pg 89</li> <li>▪ <b>HONG KONG OFFICE</b> - pg 89</li> </ul>	
302-2	Energy consumption outside the organization	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>CLIMATE AND CLEAN ENERGY</b> - pg 82</li> <li>▪ <b>ELECTRICITY USAGE</b> - pg 86</li> <li>▪ <b>SUPPLY CHAIN ENERGY CONSUMPTION</b> - pg 90</li> </ul>	

APPENDICES

# FY20 DISCLOSURES - GRI CONTENT INDEX (CONTINUED)

## ENVIRONMENT DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>ENERGY (CONTINUED)</b>			
302-3	Energy Intensity	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">CLIMATE AND CLEAN ENERGY</a> - pg 29</li> <li>▪ <a href="#">ENERGY INTENSITY (FY20)</a> - pg 87</li> </ul>
302-4	Reduction of energy consumption	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">CLIMATE AND CLEAN ENERGY</a> - pg 82</li> <li>▪ <a href="#">ELECTRICITY USAGE</a> - pg 86</li> <li>▪ <a href="#">CORPORATE HEADQUARTERS</a> - pg 86</li> <li>▪ <a href="#">DISTRIBUTION CENTER</a> - pg 88</li> <li>▪ <a href="#">RETAIL STORE LOCATIONS</a> - pg 89</li> <li>▪ <a href="#">HONG KONG OFFICE</a> - pg 89</li> <li>▪ <a href="#">SUPPLY CHAIN ENERGY CONSUMPTION</a> - pg 90</li> </ul>
<b>WATER</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</a> - pg 14</li> </ul>
103-2	The management approach and its components		<ul style="list-style-type: none"> <li>▪ <a href="#">WATER</a> - pg 62</li> </ul>
103-3	Evaluation of the management approach		
303-1	Water withdrawal by source	FY20 Creating Change Report	
303-3	Water recycled and reused	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</a> - pg 14</li> <li>▪ <a href="#">WATER - PG 62</a></li> <li>▪ <a href="#">SUPPLY CHAIN WATER USAGE EFFORTS</a> - pg 64</li> </ul>

## ENVIRONMENT DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>EMISSIONS</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</a> - pg 14</li> <li>▪ <a href="#">CLEAN ENERGY AND GREENHOUSE GAS EMISSIONS</a> - pg 84</li> <li>▪ <a href="#">ENERGY</a> - pg 187</li> </ul>
103-2	The management approach and its components	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</a> - pg 14</li> </ul>
103-3	Evaluation of the management approach		<ul style="list-style-type: none"> <li>▪ <a href="#">CLEAN ENERGY AND GREENHOUSE GAS EMISSIONS</a> - pg 84</li> </ul>
305-1	Direct (Scope 1) GHG emissions		<ul style="list-style-type: none"> <li>▪ <a href="#">ENERGY</a> - pg 187</li> </ul>
305-1	Direct (Scope 1) GHG emissions		
302-2	Energy indirect (Scope 2) GHG emissions	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</a> - pg 14</li> </ul>
303-3	Other indirect (Scope 3) GHG emissions		<ul style="list-style-type: none"> <li>▪ <a href="#">CLEAN ENERGY AND GREENHOUSE GAS EMISSIONS</a> - pg 84</li> </ul>
305-5	Reduction of GHG emissions		<ul style="list-style-type: none"> <li>▪ <a href="#">ENERGY</a> - pg 187</li> </ul>
<b>AFFLUENTS AND WASTE</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</a> - pg 14</li> </ul>
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
306-1	Water discharge by quality and destination		Not disclosed

APPENDICES

# FY20 DISCLOSURES - GRI CONTENT INDEX (CONTINUED)

## ENVIRONMENT DISCLOSURE CATEGORY (CONTINUED)

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
306-2	Waste by type and disposal method	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">WASTE</a> - pg 21</li> <li>▪ <a href="#">SUPPLY CHAIN WASTE GENERATION EFFORTS</a> - pg 72</li> </ul>
<b>AFFLUENTS AND WASTE</b>			
308-1	New Suppliers that were screened using environmental criteria	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">SUPPLY CHAIN WATER USAGE EFFORTS</a> - pg 64</li> <li>▪ <a href="#">SUPPLY CHAIN WATER RECYCLED</a> - pg 65</li> <li>▪ <a href="#">SUPPLY CHAIN WASTE GENERATION EFFORTS</a> - pg 72</li> </ul>
308-2	Negative environmental impacts in the supply chain and actions taken		Not disclosed

## SOCIAL DISCLOSURE CATEGORY

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>OCCUPATIONAL HEALTH AND SAFETY</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">HEALTH AND SAFETY OF FACTORY EMPLOYEES</a> - pg 136</li> </ul>
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
403-9	Work-related injuries		
403-10	Work-related ill health		
<b>TRAINING AND EDUCATION</b>			
404-1	Average hours of training per year per employees	<ul style="list-style-type: none"> <li>▪ FY20 Creating Change Report</li> <li>▪ <a href="#">EMPLOYEE TRAINING</a> - pg 36</li> </ul>	Employees take a mandatory 4-5 hours of compliance trainings and are welcome to access optional learning content
404-3	Percentage of employees receiving regular performance and crease development reviews	<ul style="list-style-type: none"> <li>▪ FY20 Creating Change Report</li> <li>▪ <a href="#">EMPLOYEE TRAINING</a> - pg 36</li> </ul>	All employees at Deckers receive regular performance and career development reviews
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <a href="#">PROMOTE DIVERSITY, GENDER EQUALITY, FEMALE EMPOWERMENT, AND INCLUSION FOR ALL</a> - pg 42</li> </ul>
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
405-1	Diversity of governance bodies and employees		

APPENDICES

# FY20 DISCLOSURES - GRI CONTENT INDEX (CONTINUED)

## SOCIAL DISCLOSURE CATEGORY

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>NON-DISCRIMINATION</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <b>EMPLOYEE TRAINING</b> - pg 36</li> </ul>
103-2	The management approach and its components		<ul style="list-style-type: none"> <li>▪ <b>POLICIES</b> - pg 36</li> <li>▪ <b>HOTLINE METRICS</b> - pg 37</li> </ul>
103-3	Evaluation of the management approach		
406-1	Incidents of discrimination and corrective actions taken		<ul style="list-style-type: none"> <li>▪ <b>HOTLINE METRICS</b> - pg 37</li> </ul>
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change	<ul style="list-style-type: none"> <li>▪ <b>HUMAN RIGHTS</b> - pg 31</li> <li>▪ <b>WORKERS IN OUR SUPPLY CHAIN</b> - pg 133</li> <li>▪ <b>PARTNER PERFORMANCE: TIER VENDOR SCORECARD</b> - pg 135</li> </ul>
103-2	The management approach and its components	FY20 Creating Change	<ul style="list-style-type: none"> <li>▪ <b>HUMAN RIGHTS</b> - pg 31</li> </ul>
103-3	Evaluation of the management approach		<ul style="list-style-type: none"> <li>▪ <b>WORKERS IN OUR SUPPLY CHAIN</b> - pg 133</li> <li>▪ <b>PARTNER PERFORMANCE: TIER VENDOR SCORECARD</b> - pg 135</li> </ul>
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		

## SOCIAL DISCLOSURE CATEGORY

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>HUMAN RIGHTS ASSESSMENT</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <b>FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</b> - pg 14</li> </ul>
103-2	The management approach and its components		<ul style="list-style-type: none"> <li>▪ <b>HUMAN RIGHTS</b> - pg 31</li> </ul>
103-3	Evaluation of the management approach		
412-1	Operations that have been subject to human rights reviews or impact assessment		100% of operations
<b>LOCAL COMMUNITIES</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <b>FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</b> - pg 14</li> </ul>
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
413-1	Operations with local community engagement, impact assessments and development programs	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <b>COMMUNITY</b> - pg 52</li> <li>▪ <b>HERPROJECT</b> - pg 136</li> </ul>
<b>SUPPLIER SOCIAL ASSESSMENT</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report	<ul style="list-style-type: none"> <li>▪ <b>FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</b> - pg 14</li> </ul>
103-2	The management approach and its components		
103-3	Evaluation of the management approach		



APPENDICES

# FY20 DISCLOSURES - GRI CONTENT INDEX (CONTINUED)

## SOCIAL DISCLOSURE CATEGORY

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>SUPPLIER SOCIAL ASSESSMENT</b>			
414-1	New suppliers that were screened using social criteria	FY20 Creating Change Report ▪ <b>HUMAN RIGHTS</b> - pg 31	100% of Tier 1 and majority of Tier 2 (by spend) are screened for social criteria in accordance with our Ethical Supply Chain Supplier Code of Conduct
414-2	Negative social impacts in the supply chain and actions taken		None
<b>PUBLIC POLICY</b>			
415-1	Political Contributions		We do not make political contributions
<b>CUSTOMER HEALTH AND SAFETY</b>			
103-1	Explanation of the material topic and its boundary	FY20 Creating Change Report ▪ <b>FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</b> - pg 14	
103-2	The management Approach and its components	▪ <b>CHEMISTRY &amp; CONSUMER SAFETY</b> - pg 138	
103-3	Evaluation of the management approach		

## SOCIAL DISCLOSURE CATEGORY

DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION	NOTES
<b>CUSTOMER HEALTH AND SAFETY (CONTINUED)</b>			
416-1	Assessment of the health and safety impacts of product and service categories	FY20 Creating Change Report ▪ <b>FY20 ACHIEVEMENTS MADE TOWARD REACHING OUR SUSTAINABLE DEVELOPMENT GOALS</b> - pg 14 ▪ <b>CHEMISTRY &amp; CONSUMER SAFETY</b> - pg 138 ▪ <b>RESTRICTED SUBSTANCES TRAINING</b> - pg 139 ▪ <b>RESTRICTED SUBSTANCES TESTING FAILURE RATE</b> - pg 139 ▪ <b>CONSUMER PRODUCTS SAFETY IMPROVEMENT ACT (CPSIA)</b> - pg 140 ▪ <b>CHEMICALS REDUCED, CONTROLLED, OR ELIMINATED IN FY20</b> - pg 140	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	FY20 Creating Change Report ▪ <b>RESTRICTED SUBSTANCES TESTING FAILURE RATE</b> - pg 139 ▪ <b>CONSUMER PRODUCTS SAFETY IMPROVEMENT ACT (CPSIA)</b> - pg 140	

APPENDICES

# FY20 DISCLOSURES - SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

The FY20 'Creating Change' Corporate Responsibility and Sustainability Report has been produced in accordance with the Sustainability Accounting Standards Board (SASB) Consumer Goods Sector Apparel Accessories & Footwear Index. SASB is an independent, non-profit standards-setting organization that helps companies disclose social and governance information. This index maps the disclosure of SASB metrics in our FY20 Creating Change report.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
<b>LABOR CONDITIONS IN THE SUPPLY CHAIN</b>				
Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	Quantitative	Percentage (%)	CG-AA-430b.1	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>HUMAN RIGHTS</b> - pg 31</li> </ul>
Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CG-AA-430b.2	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>HUMAN RIGHTS</b> - pg 31</li> </ul>
Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	Discussion and Analysis	N/A	CG-AA-430b.3	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>HUMAN RIGHTS</b> - pg 31</li> <li>▪ <b>TOP FINDINGS OF NON-COMPLIANCE</b> - pg 135</li> <li>▪ <b>HEALTH AND SAFETY OF FACTORY EMPLOYEES</b> - pg 136</li> </ul>

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
<b>RAW MATERIALS SOURCING</b>				
Description of environmental and social risks associated with sourcing priority raw materials	Discussion and Analysis	Discussion and Analysis	CG-AA-440a.1	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>PRODUCT MATERIALS</b> - pg 96</li> <li>▪ <b>MATERIALS TRACEABILITY EFFORTS</b> - pg 96</li> <li>▪ <b>DEFORESTATION</b> - pg 104</li> <li>▪ <b>ANIMAL WELFARE</b> - pg 105</li> <li>▪ <b>PACKAGING WASTE</b> - pg 74</li> </ul>
Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	Quantitative	Percentage (%)	CG-AA-440a.2	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ <b>PRODUCT MATERIALS</b> - pg 110</li> <li>▪ <b>RESPONSIBLE-PREFERRED MATERIALS</b> - pg 106</li> <li>▪ <b>PACKAGING WASTE</b> - pg 74</li> <li>▪ Note - we are working on adding attributes to PLM do we will be able to evolve and pull more quantitative metrics</li> </ul>

APPENDICES

# FY20 DISCLOSURES - SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX (CONTINUED)

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
<b>ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN</b>				
Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	Quantitative	Percentage (%)	CG-AA-430a.1	<ul style="list-style-type: none"> <li>We measure our supply chain partners water usage and conservation efforts</li> </ul> FY20 Creating Change Report <ul style="list-style-type: none"> <li><b>SUPPLY CHAIN WATER USAGE EFFORTS</b> - pg 64</li> </ul>
Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	Quantitative	Percentage (%)	CG-AA-430a.2	FY20 Creating Change Report <ul style="list-style-type: none"> <li><b>LIFECYCLE ASSESSMENT</b> - pg 110</li> <li><b>SUPPLY CHAIN WATER USAGE EFFORTS</b> - pg 64</li> <li><b>SUPPLY CHAIN WATER RECYCLED</b> - pg 65</li> <li><b>SUPPLY CHAIN WASTE GENERATION EFFORTS</b> - pg 72</li> </ul>

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
<b>MANAGEMENT OF CHEMICALS IN PRODUCTS</b>				
Discussion of processes to maintain compliance with restricted substances regulations	Discussion and Analysis	N/A	CG-AA-250a.1	FY20 Creating Change Report <ul style="list-style-type: none"> <li><b>CHEMISTRY &amp; CONSUMER SAFETY GOALS</b> - pg 138</li> </ul>
Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-AA-250a.2	FY20 Creating Change Report <ul style="list-style-type: none"> <li><b>CHEMISTRY &amp; CONSUMER SAFETY GOALS</b> - pg 138</li> </ul>

APPENDICES

# FY20 DISCLOSURES - COMPARISON OF FRAMEWORKS SASB AND TASK FORCE CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

STANDARDS	GOVERNANCE		STRATEGY				RISK MANAGEMENT			METRICS & TARGETS		
	G (a)	G (b)	S (a)	S (b)	S (c)		RM (a)	RM (b)	RM (c)	MT (a)	MT (b)	MT (c)
<b>SASB INDUSTRY - SPECIFIC STANDARD(S)</b>	Aligned with TCFD guidance in key industries	Aligned with TCFD guidance in key industries	No alignment between SASB and TCFD	No alignment between SASB and TCFD	Aligned with TCFD guidance in key industries		No alignment between SASB and TCFD	Aligned with TCFD guidance in key industries	Aligned with TCFD guidance in key industries	Aligned with TCFD recommendations	Aligned with TCFD recommendations	Aligned with TCFD recommendations
<b>TCFD</b>	Aligned with TCFD guidance in key industries	Aligned with TCFD guidance in key industries	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ 'FY20 Achievements toward SDGs'</li> <li>▪ 'Climate and Clean Energy'</li> </ul>	FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ 'FY20 Achievements toward SDGs'</li> <li>▪ 'Program Governance'</li> <li>▪ 'FY20'</li> <li>▪ 'Climate and Clean Energy'</li> <li>▪ 'Waste'</li> <li>▪ 'Water'</li> <li>▪ 'Energy'</li> </ul>	Aligned with TCFD guidance in key industries		FY20 Creating Change Report <ul style="list-style-type: none"> <li>▪ 'FY20 Achievements toward SDGs'</li> <li>▪ 'Program Governance'</li> <li>▪ 'FY20'</li> <li>▪ 'Climate and Clean Energy'</li> <li>▪ 'Waste'</li> <li>▪ 'Water'</li> <li>▪ 'Energy'</li> </ul>	Aligned with TCFD guidance in key industries	Aligned with TCFD guidance in key industries	Aligned with TCFD recommendations	Aligned with TCFD recommendations	Aligned with TCFD recommendations

1. S (a): Disclose the climate-related risks and opportunities the organization has identified over the short, medium, and long terms.

2. S (b): Disclose the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

3. RM (a): Describe the organization's processes for identifying climate related risks.

**DECKERS**  
— BRANDS —