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## **DECKERS BRANDS IN SUMMARY - FY22**

#### **OUR BRANDS**



#### **OUR ACTIVITIES**

We are a global leader in designing, marketing, and distributing innovative footwear, apparel, and accessories developed for both everyday casual lifestyle use and high-performance activities.





• T1 (MANUFACTURING COUNTRIES) • T2 (COUNTRIES WE SUPPLY FROM) • MARKETS SERVED

#### **FY22 SUPPLY CHAIN PARTNERS: COUNTRIES WE MANUFACTURE IN / SUPPLY FROM**

**CHINA** (144) Tier 1: 14 Footwear and 12 Lifestyle Tier 2: 118 Suppliers

VIETNAM (72) Tier 1: 14 Footwear and 1 Lifestyle Tier 2: 57 Suppliers

**PHILIPPINES** (2) Tier 1: 2 Footwear

CAMBODIA (3) Tier 1: 3 Footwear

**DOMINICAN REPUBLIC** (1) Tier 1: 1 Footwear

AUSTRIA (1) Tier 2: 1 Supplier

INDIA (1) Tier 2: 1 Supplier

#### Tier 2: 1 Supplier **TAIWAN** (13)

KOREA (1)

UNITED STATES (1) Tier 2: 1 Supplier

**GERMANY** (1) Tier 2: 1 Supplier **ITALY** (2)

**UNITED KINGDOM** (1) Tier 2: 1 Supplier

Tier 1 Factories (47) and Tier 2 Suppliers (198) \*As of April 2022

#### **INDONESIA** (2)

Tier 2: 2 Suppliers

Tier 2: 13 Suppliers

Tier 2: 2 Suppliers

#### MARKETS SERVED

- NORTH AMERICA
- APAC
- EMEA
- SOUTH AMERICA





## **MESSAGE FROM OUR CEO**

As I sit down to write this, I find myself reflecting on the last year. And while there were many moments of joy, my heart is heavy as I think about the effects of a global pandemic, the ongoing war in Ukraine, and the racially motivated hate that continues to plague the US and beyond. I know that compassion, empathy, and human kindness still exist, and it is apparent to me that now, more than ever, we must continue to use our platform to reinforce our commitment to Do Good and Do Great.

Deckers is now 12 years into its sustainability journey and our commitment is stronger than ever. We have embedded diversity, equity and inclusion into all aspects of our organization. We prioritize our people, including caring for mental health and well-being. We have an unwavering commitment to creating a Deckers where every employee can Come As They Are.

Our culture, and the amazing employees who work around the globe, make us great! We are proud to offer an environment where - regardless of what is going on in the world - our employees can come to work and feel respected and heard. Deckers continues to work on creating a more equitable and inclusive future for all. Here are few key DEI highlights from FY22:

- As of March 31, 2022, 21% of our director-level and above employees in the US are from Black, Indigenous, and People of Color (BIPOC) communities. This represents an increase of 6% compared to the prior fiscal year and an overall increase of more than 9% since we first established this target in FY20.
- In FY22, 44% of all new hires reporting into the US corporate office were from BIPOC communities.
- Promoted our own corporate DEI efforts and supported gender equality and quality education at our supply chain partners through our partnership with Business for Social Responsibility's HERproject, a program that positively impacts the well-being of women through workplace-based education and training to promote health, gender equality and financial inclusion.
- Each of our brands continued to represent BIPOC, LGBTQIA+, and diverse body types and abilities in their marketing campaigns.
- Launched a global mentorship program.
- A total of \$1,052,510 donated to organizations that promote social and racial equality.
- Prioritized employee mental health and well-being by offering support through Headspace and the Supportlinc Employee Assistance Program (EAP).
- Debuted on the Bloomberg Gender Equality Index, which helps bring transparency to gender-related practices and policies at publicly-listed companies around the world.

We also continued to accelerate our environmental efforts, harnessing our influence to promote more sustainable business practices not only in our own operations, but among our manufacturing and supply chain partners. We're innovating to help combat the challenges of climate change by actively engaging in the circular economy, giving new life to worn footwear, and collaborating across the industry to reduce our collective footprint. Here are a few key environmental highlights from FY22:

- Focused our teams to drive towards our Scope 1, 2, and 3 carbon reduction targets that we set with the Science-Based Targets Initiative.
- Continued to work with Carbon Trust, a third-party climate expert, to oversee our carbon accounting, and have collaborated with them to establish our carbon reduction targets.
- All brands have reduced footwear emissions, water, and energy per pair, since FY19 baseline year, and are on track to meet their established physical intensity targets.
- Continued our work with the Savory Institute to support regenerative farming practices on sheep farms in Australia, influencing over 200,000 acres and 40 farms.
- Moreno Valley, California Distribution Center has undertaken efforts to become a zero-waste facility by the end of FY23.
- Expanded our environmental monitoring programs among our manufacturing partners, and we continued to monitor all supplier partners through our ongoing LCA outreach efforts.

Finally, we amplified our giving program, donating a total of \$3.41 million to non-profit organizations supporting racial and social justice, environment, education, uplifiting youth, and those underserved in their communities. We continued our Art of Kindness week where employees are encouraged to volunteer and give their time in order to make a positive impact on our communities. In FY22 alone, our employees volunteered over 14,000 hours.

Thank you for taking the time to read about our progress and for being part of our journey. I hope that our actions continue to inspire others, be a positive light, and create change for all. The world certainly could use more good!

Sincerely

Dave Powers President and Chief Executive Officer

We prioritize our people, including caring for our mental health and well-being

We're innovating to help combat the challenges of climate change

## **INTRODUCTION**

As a global leader in designing, marketing and distributing innovative footwear, apparel, and accessories, our worldwide reach and impact is significant. We believe consumers are increasingly buying brands that advance sustainable business practices and deliver quality products while striving for minimal environmental impact by employing socially conscious operations.

Our sustainability policies and strategies are aligned with, and informed by, our ongoing efforts with multistakeholder initiatives, which involve our stockholders, employees, suppliers, and our customers, as well as other brands and non-governmental organizations.

Through our holistic environmental, social and governance program, which has been in existence since 2010, we are committed to advancing our sustainable business initiatives. As a result of our efforts, we have been recognized by Newsweek as one of America's Most Responsible Companies and one of America's 100 Most Loved Workplaces. We were also included on the Bloomberg Gender Equality Index during FY22.

We recognize that sustainability is a journey and one that will likely never conclude. Our hope is that this Creating Change Report will show you how we can continue to serve our communities, maintain an ethical supply chain, and significantly reduce our environmental footprint.\*

Recognized as one of America's Most Responsible Companies

Newsweek

Included on the FY22 Bloomberg Gender Equality Index **Bloomberg** 

Recognized by Newsweek as one of America's 100 Most Loved Workplaces

Newsweek

## **CREATING CHANGE:** STRATEGIC APPROACH

#### **OUR STRATEGIC APPROACH**

We looked at our business holistically and identified areas (e.g. materials, waste, water, gender equality, quality education and reduced inequalities, chemistry, climate & clean energy, and human rights) where we can make the biggest impact. Then, looking at the areas we identified, we defined our goals under each to better track our progress - these are our Sustainable Development Goals (SDGs) and they are the guardrails of our program. Finally, in order to prioritize our efforts we identified specific areas for improvement, including relevant targets under each SDG to better track our progress. We recognize that as our business continues to evolve we must remain agile. As such, we are continually modifying our strategies, adding to our targets, reallocating our resources, and challenging ourselves to make an even greater impact in keeping with our key value of 'Do Good and Do Great'.

\*Note: The information in this report and website, inclusive of charts, graphs, and discussion, and all other information presented, may contain forward-looking statements, estimates, or projections based on expectations as of the original date of those materials. Those statements, estimates, and projections are subject to certain risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties are detailed in our reports filed with the U.S. Securities and Exchange Commission, including Forms 8-K, 10-K, and 10-Q. Presented information may also discuss previously non-public financial and statistical information. All information was current only as of the date originally presented. We do not update or delete outdated information contained in website materials, and we disclaim any obligation to do so. All content is the property of Deckers Outdoor Corporation.



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## 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 sustainable development goal (SDG) implementation.

In accordance with our strategic approach, we adopted SDGs that were most relevant to our business and our portfolio of brands. 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 track our progress in and commitment to the categories of materials, waste, water, gender equality and quality education, chemistry, climate and clean energy and human rights.



ТОРІС	DECKERS SDG
MATERIALS	Maximize the amount of prefe materials in our products
WASTE	Sustainably reduce waste ger at our facilities and partner fa through refuse, reduction, rec and reuse
WATER	Reduce water consumption an improve water quality through operations and the communit which we operate
CLIMATE AND CLEAN ENERGY	Reduced energy consumptior greenhouse gas emissions thr our operations
CHEMISTRY AND CONSUMER SAFETY	Reduce or eliminate hazardou chemicals throughout our ope
HUMAN RIGHTS	Positively impact the commur where we operate in, includin- assuring industry leading hum practices within our supply ch
GENDER EQUALITY, QUALITY EDUCATION, AND REDUCED INEQUALITIES	Promote diversity, gender equal female empowerment, and in for all



UNGC SDG



## **DECKERS BRANDS ENVIRONMENTAL, SOCIAL, GOVERNANCE PROGRAM FY22 UPDATE**

#### **Doing Good For The Planet**



## **Science-Based Targets**

Reduce absolute GHG emissions by 46% (scope 1 and 2) and 58% per \$m gross profit (scope 3) by FY30 (from a FY19 baseline year)



Moreno Valley **Distribution Center** committed to being a zero-waste facility



**Reduction in energy** intensity physical intensity (MJ of energy/pair)



Acres of land we have restored against our commitment of 1,000,000 acres by 2025 through

our support of a grant for regenerative farming practices

# 100%

**Renewable energy** at Corporate HQ



**Reduction in GHG** emissions physical intensity (kg of energy/pair)



**Reduction in water** intensity (liters of water/pair)



Million donated to various non-profit organizations



BIPOC Representation at Director level and above in the **United States** 



Current employee resource groups



**Doing Good For People** 

Hours our employees volunteered



Of leader roles (those who manage one or more persons) held by women

19,000+

Hours dedicated to employee training





**Below industry** average lost days injury rate



Total number of women empowered since inception of our partnership with HERproject

<u>o — </u>
⊘ —
<u> </u>

100%

Of factories audited annually



Instances of

child/forced labor



### Recognition



**America's Most** Responsible Companies



#### Bloomberg **Equality Index**



**America's Most** Loved Workplace

#### **DECKERS SUSTAINABLE DEVELOPMENT GOALS AND PROGRESS**

We believe our strategic approach to ESG allows us to remain focused on areas we can have the biggest impact. Our targets keep us accountable and help us to monitor progress being made in each category. The chart below will provide a detailed overview of each of our targets, many of which are new this year, and the progress we are making year-over-year (FY19 - FY22). Our hope is that this transparent approach—recognizing both our achievements and those areas we need to speed up our efforts—gives readers a clear understanding and appreciation of where we are at on our sustainability journey.



#### MATERIALS

AXIMIZE THE AMOUNT OF PRE

(This target advances the United Nations Global Compact SDG number 12: Responsible Consumption and Production)

\*The term "preferred materials" refers to recycled, renewable, regenerated, and natural materials \*\*Note, the below materials goals and results are specific to T2 materials purchasing

#### SUSTAINABLE DEVELOPMENT GOALS: DECKERS BRANDS MATERIALS

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
55% of all materials used in our footwear will be made from preferred materials	<ul> <li>30.92% of all materials used in our footwear were made from preferred materials</li> </ul>	<ul> <li>33.51% of all materials used in our footwear were made from preferred materials</li> </ul>	<ul> <li>32.69% of all materials used in our footwear were made from preferred materials</li> </ul>	<ul> <li>34.04% of all materials used in our footwear were made from preferred materials</li> </ul>	On Track	2027
60% of all fibers used in our footwear will be made from preferred materials	<ul> <li>20.88% of all fibers used in our footwear were made from preferred materials</li> </ul>	<ul> <li>26.97% of all fibers used in our footwear were made from preferred materials</li> </ul>	<ul> <li>35.27% of all fibers used in our footwear were made from preferred materials</li> </ul>	<ul> <li>47.05% of all fibers used in our footwear were made from preferred materials</li> </ul>	On Track	2027
50% of all non-fibers used in our footwear will be made from preferred materials	<ul> <li>33.93% of all non-fibers used in our footwear were made from preferred materials</li> </ul>	<ul> <li>35.86% of all non-fibers used in our footwear were made from preferred materials</li> </ul>	<ul> <li>31.79% of all non-fibers used in our footwear were made from preferred materials</li> </ul>	<ul> <li>29.83% of all non-fibers used in our footwear were made from preferred materials</li> </ul>	On Track	2027
65% of all materials used in our apparel, accessories, and home goods will be made from preferred materials	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	34.18% of all materials used in our apparel, accessories, and home goods were made from preferred materials	<ul> <li>34.63% of all materials used in our apparel, accessories, and home goods were made from preferred materials</li> </ul>	On Track	2027
			*Note, above numbers are corrected from prior reporting			
100% of all leather hides <i>(i.e., leather, suede, and sheepskin)</i> used in footwear will either come from recycled sources or be finished in a Leather Working Group <i>(LWG)</i> -certified tannery	<ul> <li>97.43% of all leather hides were sourced from LWG-certified tanneries or recycled sources, within all leather and sheepskin material categories</li> </ul>	<ul> <li>98.39% of all leather hides were sourced from LWG-certified tanneries or recycled sources, within all leather and sheepskin material categories</li> </ul>	<ul> <li>99.88% of all leather hides were sourced from LWG-certified tanneries or recycled leather, within all materials categories</li> <li>100% of our sheepskin was LWG-certified</li> </ul>	<ul> <li>100% of all leather hides were sourced from LWG-certified tanneries or recycled sources, within all leather and sheepskin material categories</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2022
100% of all leather hides used for our apparel, accessories, and home goods will either come from recycled sources or	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>86.27% of all leather hides were from LWG- certified tanneries</li> </ul>	<ul> <li>97.48% of all leather hides were from LWG- certified tanneries</li> </ul>	On Track	2025
be finished in an LWG-certified tannery			100% of our sheepskin was LWG-certified	100% of our sheepskin was LWG-certified		
			<ul> <li>Licensees and agents have committed to sourcing from 100% LWG-certified tanneries by 2022</li> </ul>	<ul> <li>Licensees and agents have committed to sourcing from 100% LWG-certified tanneries by 2022</li> </ul>		
Trace 85% of bovine full grain hides and sheepskin back to the processing facility from which each originated, within the leather and sheepskin material categories	<ul> <li>Traced 98% of bovine full grain hides and sheepskin back to the processing facility from which each originated, within the leather and sheepskin material categories</li> </ul>	<ul> <li>Traced 93.1% of bovine full grain hides and 100% of sheepskin back to the processing facility from which each originated, within the leather and sheepskin material categories</li> </ul>	<ul> <li>Traced 89.61% of bovine full grain hides and 91.26% of sheepskin back to the processing facility from which each originated, within the leather and sheepskin material categories</li> </ul>	<ul> <li>Traced 78.75% of bovine full grain hides and 90.96% of sheepskin back to the processing facility from which each originated, within the leather and sheepskin material categories</li> </ul>	In progress - Target achievable FY23	2022
"Trace 100% of all leather hides <i>(i.e., leather, suede, and sheepskin)</i> used in our footwear back to the country of origin, within the leather and sheepskin material categories "	<ul> <li>96.24% of all leather and sheepskin hides used in our footwear traced back to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>97.30% of all leather and sheepskin hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all leather and sheepskin hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all leather and sheepskin hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021

#### FERRED MATERIALS\* IN DECKERS' PRODUCTS

#### SUSTAINABLE DEVELOPMENT GOALS: DECKERS BRANDS MATERIALS (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
100% of down used in our products, including products produced by Deckers' licensees and agents, to be Responsible Down Standard ( <i>RDS</i> )-certified or certified recycled down	<ul> <li>100% of down used in our products, including those produced by licensees and agents, was RDS-certified</li> </ul>	<ul> <li>Maintained 100% of down used in our products, including those produced by licensees and agents, was RDS-certified</li> </ul>	<ul> <li>Maintained 100% of down used in our products, including those produced by licensees and agents, was RDS-certified</li> </ul>	<ul> <li>Maintained 100% of down used in our products, including those produced by licensees and agents, was RDS-certified</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2022
Eliminate virgin wool in our footwear, and to the extent that is not achievable, ensure that any virgin wool used Responsible Wool Standard (RWS) certified	<ul> <li>78.57% of wool used in our footwear was repurposed wool and 21.13% was virgin wool</li> </ul>	<ul> <li>98.91% of wool used in our footwear was repurposed wool and 1.09% was virgin wool</li> </ul>	<ul> <li>98.67% of wool used in our footwear was repurposed wool and 1.33% was virgin wool</li> </ul>	<ul> <li>99.91% of wool used in our footwear was repurposed wool or RWS Wool, and 0.09% was virgin wool</li> </ul>	In progress - Target achievable FY23	2022
Eliminate virgin wool in our apparel, accessories, and home goods, and to the extent that is not achievable, ensure that any virgin wool used is Responsible Wool Standard ( <i>RWS</i> )- certified	<ul> <li>Target first conceptualized in FY20</li> </ul>	<ul> <li>Target conceptualized</li> </ul>	<ul> <li>0.83% of wool used in our apparel, accessories, and home goods was repurposed wool and 99.17% was virgin wool or untraced</li> </ul>	<ul> <li>10.87% of wool used in our apparel, accessories, and home goods was RWS Wool and 89.13% was virgin wool or untraced</li> </ul>	On Track	2025
100% of cotton fiber used in our footwear will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>Target conceptualized</li> </ul>	<ul> <li>1.47% of cotton fibers used in our footwear were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>20.94% of the cotton fibers used in our footwear were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>32.9% of the cotton fibers used in our footwear were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	On Track	2025
100% of cotton fiber used in our apparel, accessories, and home goods will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>0.17% of the cotton fibers used in our apparel, accessories, and home goods were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>0.00% of the cotton fibers used in our apparel, accessories, and home goods were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>89.29% of the cotton fibers used in our apparel, accessories, and home goods were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>99.81% of the cotton fibers used in our apparel, accessories, and home goods were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	On Track	2025
65% of all co-polyester fibers and films in our footwear to originate from post-consumer, post-industrial, or renewable resources	<ul> <li>12.97% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>16.69% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>21.64% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>32.99% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	On Track	2030
40% of all co-polyester fibers and films in our apparel, accessories, and home goods to originate from post- consumer, post-industrial, or renewable resources	<ul> <li>0.49% of all co-polyester fibers and films used in our apparel, accessories, and home goods originated from post-consumer, post- industrial or renewable resources</li> </ul>	<ul> <li>2.39% of all co-polyester fibers and films used in our apparel, accessories, and home goods originated from post-consumer, post- industrial or renewable resources</li> </ul>	<ul> <li>6.41% of all co-polyester fibers and films used in our apparel, accessories, and home goods comes originated from post-consumer, post- industrial or renewable resources</li> </ul>	<ul> <li>6.81% of all co-polyester fibers and films used in our apparel, accessories, and home goods comes originated from post-consumer, post- industrial or renewable resources</li> </ul>	On Track	2027
100% of timber used in our packaging and products to originate from sources that legally harvest, source, transport, and export timber. Deckers will not use any timber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>82.84% of all timber products used in our packaging and products were Forest Stewardship Council (FSC)-certified or contain post-consumer recycled content and/ or pre-consumer recycled content</li> <li>*Note, above numbers are corrected from</li> </ul>	<ul> <li>94.16% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/or pre-consumer recycled content</li> <li>*Note, above numbers are corrected from prior reporting</li> </ul>	<ul> <li>94.05% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/or pre-consumer recycled content</li> <li>*Note, above numbers are corrected from prior reporting</li> </ul>	<ul> <li>96.41% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	On Track	2026
	prior reporting					
50% of all natural rubber used in our footwear to originate from recycled sources or sources that legally harvest, source, transport, and export rubber. Deckers will not use any rubber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>5.55% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	<ul> <li>7.19% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	On Track	2026
25% of all fibers used in our footwear will use preferred finishing methods (inclusive of preferred dying methods, bleach only methods and undyed materials (e.g. greige))	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>1.86% of all fibers in our footwear materials used preferred finishing methods</li> </ul>	<ul> <li>12.79% of all fibers in our footwear used preferred finishing methods</li> </ul>	On Track	2027
Our business, brands, and products will actively engage in the circular economy (design out waste and pollution, keep products and materials in use, and regenerate natural	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>UGG launched refurbishment opportunity for Classic franchise</li> </ul>	In progress - Target achievable	2030
systems)				<ul> <li>Teva offered recycling of Teva sandals</li> </ul>		
				<ul> <li>Formed Materials Innovation Committee to stay apprised of new material innovation and development working to bring them to scale</li> </ul>		

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#### SUSTAINABLE DEVELOPMENT GOALS: UGG MATERIALS (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUI
65% of all materials used in UGG footwear will be made from preferred materials	<ul> <li>42.43% of all materials used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>44.77% of all materials used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>45.86% of all materials used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>50.61% of all materials used in UGG footwear were made from preferred materials</li> </ul>	On Track	2027
75% of all fibers used in UGG footwear will be made from preferred materials	<ul> <li>20.88% of all fibers used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>26.97% of all fibers used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>48.84% of all fibers used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>67.58% of all fibers used in UGG footwear were made from preferred materials</li> </ul>	On Track	2027
65% of all non-fibers used in UGG footwear will be made from preferred materials	<ul> <li>33.93% of all non-fibers used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>35.86% of all non-fibers used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>44.87% of all non-fibers used in UGG footwear were made from preferred materials</li> </ul>	<ul> <li>45.34% of all non-fibers used in UGG footwear were made from preferred materials</li> </ul>	On Track	2027
70% of all materials used in UGG apparel, accessories, and home goods will be made from preferred materials	<ul> <li>23.30% of all materials used in UGG apparel, accessories, and home goods were made from preferred materials</li> </ul>	<ul> <li>18.59% of all materials used in UGG apparel, accessories, and home goods were made from preferred materials</li> </ul>	<ul> <li>33.80% of all materials used in UGG apparel, accessories, and home goods were made from preferred materials</li> </ul>	<ul> <li>34.80% of all materials used in UGG apparel, accessories, and home goods were made from preferred materials</li> </ul>	On Track	2027
			*Note, above numbers are corrected from prior reporting			
100% of footwear SKUs are comprised of at least one preferred material	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>97.91% of footwear SKUs were comprised of at least one preferred material</li> </ul>	<ul> <li>99.80% of footwear SKUs were comprised of at least one preferred material</li> </ul>	On Track	2030
100% of all leather hides ( <i>i.e., leather, suede, and sheepskin</i> ) used in footwear will either come from recycled sources or be finished in a Leather Working Group ( <i>LWG</i> )-	<ul> <li>99.32% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>99.75% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>"99.87% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather and sheepskin hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	Target Achieved - FY23 and beyond target is	2022
certified tannery	<ul> <li>100% of sheepskin used in footwear was sourced from LWG-certified tanneries</li> </ul>	<ul> <li>100% of sheepskin used in footwear was sourced from LWG-certified tanneries</li> </ul>	<ul> <li>100% of sheepskin used in footwear was sourced from LWG-certified tanneries"</li> </ul>		to maintain	
100% of all leather and sheepskin hides used for our apparel, accessories, and home goods will either come from recycled sources or be finished in an LWG-certified	<ul> <li>99.00% of all sheepskin hides were sourced from LWG-certified tanneries, within all material categories</li> </ul>	<ul> <li>99.00% of all sheepskin hides were sourced from LWG-certified tanneries, within all material categories</li> </ul>	<ul> <li>86.27% of all leather hides used in apparel, accessories, and home goods were sourced from LWG-certified tanneries</li> </ul>	<ul> <li>97.48% of all leather hides used in apparel, accessories, and home goods were sourced from LWG-certified tanneries</li> </ul>	On Track	2022
tannery	<ul> <li>Leather hides had insufficient data</li> </ul>	<ul> <li>Leather hides had insufficient data</li> </ul>	<ul> <li>100% of sheepskin used in apparel, accessories, and home goods was sourced from LWG-certified tanneries"</li> </ul>	<ul> <li>100% of sheepskin used in apparel, accessories, and home goods was sourced from LWG-certified tanneries</li> </ul>		
Trace 100% of all leather hides <i>(i.e., leather, suede, and sheepskin)</i> used in our footwear back to the country of origin, within the leather and sheepskin material categories	<ul> <li>96.24% of all hides used in our footwear traced back to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>97.30% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021
100% of down used in our products, including products produced by UGG's licensees and agents, to be Responsible Down Standard <i>(RDS)</i> -certified or certified recycled down	<ul> <li>100% of down used in UGG products was RDS-certified</li> </ul>	<ul> <li>100% of down used in UGG products was RDS-certified</li> </ul>	<ul> <li>100% of down used in UGG products was RDS-certified</li> </ul>	<ul> <li>100% of down used in UGG products was RDS-certified</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2022
Eliminate virgin wool in UGG footwear, and to the extent that is not achievable, ensure that any virgin wool used Responsible Wool Standard ( <i>RWS</i> )-certified	<ul> <li>78.57% of wool used in UGG footwear was repurposed wool and 21.13% was virgin wool or untraced, with a commitment to either completely eliminating virgin wool in footwear or ensuring any virgin wool used is RWS-certified by 2022</li> </ul>	<ul> <li>98.97% of wool used in UGG footwear was repurposed wool and 1.03% was virgin wool or untraced, with a commitment to either completely eliminating virgin wool in footwear or ensuring any virgin wool used is RWS-certified by 2022</li> </ul>	<ul> <li>98.73% of wool used in UGG footwear was repurposed wool and 1.27% was virgin wool or untraced, with a commitment to either completely eliminating virgin wool in footwear or ensuring any virgin wool used is RWS-certified by 2022</li> </ul>	<ul> <li>99.94% of wool used in UGG footwear was repurposed wool or RWS wool and 0.06% was virgin wool or untraced, with a commitment to either completely eliminating virgin wool in footwear or ensuring any virgin wool used is RWS-certified by the end of calendar year 2022</li> </ul>	On Track	2022
Eliminate virgin wool in our apparel, accessories, and home goods, and to the extent that is not achievable, ensure that any virgin wool used is Responsible Wool Standard ( <i>RWS</i> )- certified	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>0.83% of wool used in our apparel, accessories, and home goods was repurposed and 99.17% was virgin wool, with a commitment to either completely eliminating virgin wool in apparel, accessories, and home goods, or ensuring any virgin wool used is RWS-certified by 2025</li> </ul>	<ul> <li>16.85% of wool used in our apparel, accessories, and home goods was RWS wool and 83.15% was virgin wool and virgin cashmere, with a commitment to either completely eliminating virgin wool in apparel, accessories, and home goods, or ensuring any virgin wool used is RWS-certified by 2026</li> </ul>	In progress - Target achievable	2026

#### SUSTAINABLE DEVELOPMENT GOALS: UGG MATERIALS (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUI		
100% of cotton fiber used in our footwear, within all material categories, will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>0% of cotton fiber used in our footwear, within all material categories, was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>0% of cotton fiber used in our footwear, within all material categories, was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>14.80% of the cotton fibers used in our footwear were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>26.64% of the cotton fibers used in our footwear were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	In progress - Target achievable	2025		
100% of cotton fiber used in our apparel, accessories, and home goods will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>89.01% of cotton fiber used in our apparel, accessories, and home goods were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>99.80% of cotton fiber used in our apparel, accessories, and home goods were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	On Track	2025		
70% of all co-polyester fibers and films in our footwear to originate from post-consumer, post-industrial, or renewable resources	<ul> <li>11.78% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>15.22% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>23.69% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>43.99% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	On Track	2027		
50% of all co-polyester fibers and films in our apparel, accessories, and home goods to originate from post- consumer, post-industrial, or renewable resources	<ul> <li>0.34% of all co-polyester fibers and films used in our apparel, accessories, and home goods originated from post-consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>0.68% of all co-polyester fibers and films used in our apparel, accessories, and home goods originated from post-consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>4.68% of all co-polyester fibers and films used in our apparel, accessories, and home goods comes originated from post-consumer, post- industrial or renewable resources</li> </ul>	<ul> <li>5.61% of all co-polyester fibers and films used in our apparel, accessories, and home goods comes originated from post-consumer, post- industrial or renewable resources</li> </ul>	In progress - Target achievable	2027		
Replace 50% of all faux fur with plant-based faux fur, bio- based faux fur or recycled synthetic fibers, within all material categories in our apparel, accessories and home goods	<ul> <li>Target first conceptualized in FY22</li> </ul>	<ul> <li>Target first conceptualized in FY22</li> </ul>	<ul> <li>Target first conceptualized in FY22</li> </ul>	<ul> <li>4.21% of all faux fur was made using plant based faux fur, bio-based faux fur or recycled synthetic fibers within our apparel accessories and home goods</li> </ul>	On Track	2027		
100% of timber used in our packaging and products to originate from sources that legally harvest, source, transport, and export timber. Deckers will not use any timber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>79.69% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/ or pre-consumer recycled content</li> </ul>	<ul> <li>93.55% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/ or pre-consumer recycled content</li> </ul>	<ul> <li>92.80% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/ or pre-consumer recycled content</li> </ul>	<ul> <li>95.49% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/ or pre-consumer recycled content</li> </ul>	On Track	2026		
50% of all natural rubber used in our footwear to originate from recycled sources or sources that legally harvest, source, transport, and export rubber. Deckers will not use any rubber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>1.60% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	<ul> <li>1.31% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	In progress - Target achievable	2026		
Convert UGGpure to UGGplush	<ul> <li>First implementation of UGGplush into our footwear. UGGplush replaced our existing UGGpure technology with preferred materials, including repurposed wool, RWS wool, recycled polyester fibers and TENCEL lyocell</li> </ul>	<ul> <li>28.05% of all UGGpure technology was converted to UGGplush</li> </ul>	<ul> <li>48.99% of all UGGpure technology was converted to UGGplush</li> </ul>	<ul> <li>Over 99% of all UGGpure technology was converted to UGGplush</li> </ul>	On Track	2022		
25% of all fibers used in our footwear will use preferred finishing methods ( <i>inclusive of preferred dying methods, bleach only methods and undyed materials</i> (e.g. greige))	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>2.98% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	<ul> <li>15.18% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	On Track	2025		
Our business, brands, and products will actively engage in the circular economy (design out waste and pollution, keep products and materials in use, and regenerate natural systems)	<ul> <li>Target first conceptualized in fiscal year 2022</li> </ul>	<ul> <li>Target first conceptualized in fiscal year 2022</li> </ul>	<ul> <li>Launched tiered service with NuShoe, world's largest premium shoe repair company allowing consumers the opportunity to extend the life of their UGG Classic products</li> </ul>	<ul> <li>UGG launched refurbishment opportunity for Classic franchise</li> </ul>	In progress - Target achievable	2030		

#### SUSTAINABLE DEVELOPMENT GOALS: HOKA MATERIALS (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
25% of all materials used in HOKA footwear will be made from preferred materials	<ul> <li>5.13% of all materials used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>4.43% of all materials used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>6.11% of all materials used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>7.89% of all materials used in HOKA footwear were made from preferred materials</li> </ul>	On Track	2027
50% of all fibers used in HOKA footwear will be made from preferred materials	<ul> <li>8.94% of all fibers used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>3.90% of all fibers used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>8.53% of all fibers used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>16.71% of all fibers used in HOKA footwear were made from preferred materials</li> </ul>	On Track	2025
30% of all non-fibers used in HOKA footwear will be made from preferred materials	<ul> <li>3.27% of all non-fibers used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>4.75% of all non-fibers used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>4.90% of all non-fibers used in HOKA footwear were made from preferred materials</li> </ul>	<ul> <li>4.45% of all non-fibers used in HOKA footwear were made from preferred materials</li> </ul>	On Track	2027
60% of all materials used in HOKA apparel and accessories will be made from preferred materials	<ul> <li>0.91% of all materials used in HOKA apparel and accessories were made from preferred materials</li> <li>*Note, above numbers are corrected from prior</li> </ul>	<ul> <li>25.93% of all materials used in HOKA apparel and accessories were made from preferred materials</li> </ul>	<ul> <li>48.11% of all materials used in HOKA appareland accessories were made from preferred materials</li> </ul>	<ul> <li>34.81% of all materials used in HOKA apparel and accessories were made from preferred materials</li> </ul>	On Track	2026
	reporting	*Note, above numbers are corrected from prior reporting	*Note, above numbers are corrected from prior reporting			
Reduce or maintain, within 2% of baseline, the environmental impact per pound of material sourced in our apparel and accessories	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Packaging, leather, sheepskin and wool categories assessed with new LCA tool</li> </ul>	<ul> <li>Established baseline environmental impact per pound of material sources in our apparel and accessories</li> </ul>	<ul> <li>Prepped and ready for full baseline FY23</li> </ul>	In progress - Target achievable	2025
100% of footwear SKUs are comprised of at least one preferred material	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>90% of footwear SKUs were comprised of at least one preferred material</li> </ul>	<ul> <li>97.98% of footwear SKUs were comprised of at least one preferred material</li> </ul>	On Track	2030
55% of all co-polyester fibers and films in our footwear to originate from post-consumer, post-industrial, or renewable resources	<ul> <li>16.67% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>9.32% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>11.56% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>21.30% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	On Track	2027
70% of all co-polyester fibers and films in our apparel and accessories to originate from post-consumer, post-industrial or renewable resources	<ul> <li>0.73% of all co-polyester fibers and films in our apparel and accessories originated from post-consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>32.63% of all co-polyester fibers and films in our apparel and accessories originated from post-consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>37.22% of all co-polyester fibers and films in our apparel and accessories originated from post-consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>24.69% of all co-polyester fibers and films in our apparel and accessories originated from post-consumer, post-industrial or renewable resources</li> </ul>	On Track	2027
25% of all nylon fibers and films in our products to originate from post-consumer, post-industrial, or renewable resources	<ul> <li>0.27% of all nylon fibers and films in our products to originate from post-consumer, post-industrial, or renewable resources</li> </ul>	<ul> <li>0.26% of all nylon fibers and films in our products to originate from post-consumer, post-industrial, or renewable resources</li> </ul>	<ul> <li>3.01% of all nylon fibers and films in our products to originate from post-consumer, post-industrial, or renewable resources</li> </ul>	<ul> <li>5.64% of all co-polyester fibers and films used in our products originated from post- consumer, post-industrial or renewable resources</li> </ul>	On Track	2027
100% of cotton fiber used in our footwear, within all material categories, will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>0.00% of cotton fiber used in our footwear, within all material categories, was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>0.00% of cotton fiber used in our footwear, within all material categories, was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>23.50% of cotton fiber used in our footwear, within all material categories, was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>28.31% of cotton fiber used in our footwear, within all material categories, was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	On Track	2025
100% of cotton fiber used in our apparel and accessories will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>100% of cotton fiber used in our apparel and accessories were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>100% of cotton fiber used in our apparel and accessories were made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	Target Maintained	2025
100% of all leather hides ( <i>i.e., leather, suede, and sheepskin</i> ) used in footwear will either come from recycled sources or be finished in a Leather Working Group ( <i>LWG</i> )-certified tannery	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	Target Maintained	2022
Trace 100% of all leather hides <i>(i.e., leather, suede, and sheepskin)</i> used in our footwear back to the country of origin, within the leather and sheepskin material categories	<ul> <li>96.24% of all hides used in our footwear traced back to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>97.30% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	Target Maintained	2021

#### SUSTAINABLE DEVELOPMENT GOALS: HOKA MATERIALS (CONTINUED)

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TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
Eliminate virgin wool in HOKA footwear, and to the extent that is not achievable, ensure that any virgin wool used Responsible Wool Standard <i>(RWS)</i> -certified	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>0.01% of our total fiber usage was virgin wool or untraced, with a commitment to ensure any virgin wool is RWS-certified by 2022</li> </ul>	<ul> <li>No wool was used in Hoka Footwear</li> </ul>	On Track	2022
Eliminate virgin wool in HOKA apparel and accessories, and to the extent that is not achievable, ensure that any virgin wool used Responsible Wool Standard ( <i>RWS</i> )- certified	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>2.7% of our total fiber usage was virgin wool or untraced, with a commitment to ensure any virgin wool is RWS-certified by 2025</li> </ul>	<ul> <li>4.24% of wool used RWS Wool, with a commitment to ensure any virgin wool is RWS certified or repurposed by 2025</li> </ul>	In progress - Target achievable	2025
100% of timber used in our packaging and products to originate from sources that legally harvest, source, transport, and export timber. Deckers will not use any timber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>96.78% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>97.26% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>96.01% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>98.06% of all timber products used in our packaging and products were FSC-certified or contain post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	On Track	2026
50% of all natural rubber used in our footwear to originate from recycled sources or sources that legally harvest, source, transport, and export rubber. Deckers will not use any rubber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>0.00% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	In progress - Target achievable	2026
25% of all fibers used in our footwear will use preferred finishing methods (inclusive of preferred dying methods, bleach only methods and undyed materials (e.g. greige))	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>0.10% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	<ul> <li>9.89% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	On Track	2027
Our business, brands, and products will actively engage in the circular economy (design out waste and pollution, keep products and materials in use, and regenerate natural systems)	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Began exploring re-sale opportunities to extend the life of HOKA product. Opportunity would allow consumers to re-sell gently worn HOKA product allowing a new consumer to enjoy. Anticipate launching project in fiscal year 2022</li> </ul>	<ul> <li>HOKA to start limited resale opportunity in FY23</li> </ul>	In progress - Target achievable	2030

#### SUSTAINABLE DEVELOPMENT GOALS: TEVA MATERIALS (CONTINUED)

		Teva.				
TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
45% of all materials used in Teva footwear will be made from preferred materials	<ul> <li>9.62% of all materials used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>15.56% of all materials used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>17.12% of all materials used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>20.90% of all materials used in Teva footwear were made from preferred materials</li> </ul>	On Track	2027
75% of all fibers used in Teva footwear will be made from preferred materials	<ul> <li>11.52% of all fibers used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>44.05% of all fibers used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>57.81% of all fibers used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>73.98% of all fibers used in Teva footwear were made from preferred materials</li> </ul>	On Track	2027
40% of all non-fibers used in Teva footwear will be made from preferred materials	<ul> <li>9.17% of all non-fibers used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>8.69% of all non-fibers used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>8.10% of all non-fibers used in Teva footwear were made from preferred materials</li> </ul>	<ul> <li>10.92% of all non-fibers used in Teva footwear were made from preferred materials</li> </ul>	On Track	2027
100% of footwear SKUs are comprised of at least one preferred material	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>94.14% of footwear SKUs were comprised of at least one preferred material</li> </ul>	<ul> <li>100% of footwear SKUs were comprised of at least one preferred material</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030

#### SUSTAINABLE DEVELOPMENT GOALS: TEVA MATERIALS (CONTINUED)

		Teva.				
TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
Utilize UNIFI REPREVE rPET in all iconic straps	<ul> <li>Teva recognized on Textile Exchange Leader Board for use of rPET</li> </ul>	<ul> <li>100% of Teva's iconic polyester straps were made from UNIFI REPREVE rPET</li> </ul>	<ul> <li>Target achieved in FY20 and maintained in FY21</li> </ul>	<ul> <li>Target Maintained</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2022
85% of all co-polyester fibers and films in our footwear to originate from post-consumer, post-industrial, or renewable resources	<ul> <li>19.31% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>63.25% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>70.12% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>81.52% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	On Track	2027
100% of cotton fiber used in our footwear, within all material categories, will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>0.00% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>0.00% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>92.17% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>98.03% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	On Track	2025
100% of all leather hides ( <i>i.e., leather, suede, and sheepskin</i> ) used in footwear will either come from recycled sources or be finished in a Leather Working Group ( <i>LWG</i> )-certified tannery	<ul> <li>62.40% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>69.15% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>98.68% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	On Track	2022
Trace 100% of all leather hides <i>(i.e., leather, suede, and sheepskin)</i> used in our footwear back to the country of origin, within the leather and sheepskin material categories	<ul> <li>96.24% of all hides used in our footwear traced back to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>97.30% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021
Eliminate virgin wool in Teva footwear, and to the extent that is not achievable, ensure that any virgin wool used Responsible Wool Standard <i>(RWS)</i> -certified	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>100% of wool used in Teva footwear was repurposed wool</li> </ul>	<ul> <li>No wool was used in Teva Footwear in FY22</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2022
100% of timber used in our packaging and products to originate from sources that legally harvest, source, transport, and export timber. Deckers will not use any timber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>92.64% of all timber products used in our products and packaging were FSC-certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>93.77% of all timber products used in our products and packaging were FSC-certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>96.58% of all timber products used in our products and packaging were FSC certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>96.45% of all timber products used in our products and packaging were FSC certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	On Track	2026
50% of all natural rubber used in our footwear to originate from recycled sources or sources that legally harvest, source, transport, and export rubber. Deckers will not use any rubber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>2.22% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	<ul> <li>5.97% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	On Track	2026
15% of all fibers used in our footwear will use preferred finishing methods (inclusive of preferred dying methods, bleach only methods and undyed materials (e.g. greige)	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>0.11% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	<ul> <li>4.67% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	On Track	2025
Our business, brands, and products will actively engage in the circular economy (design out waste and pollution, keep products and materials in use, and regenerate natural systems)	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Launched downcycling project with Terracycle, pursuant to which TEVA sandal outsoles are downcycled into various projects, including playgrounds and asphalt, and uppers are diverted from landfills</li> </ul>	<ul> <li>Teva offered recycling of Teva sandals (currently representing majority of line)</li> </ul>	On Track	2030

#### SUSTAINABLE DEVELOPMENT GOALS: SANUK MATERIALS (CONTINUED)

		sanük					
TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE	
55% of all materials used in Sanuk footwear will be made from preferred materials	<ul> <li>9.62% of all materials used in Sanuk footwear were made from preferred materials</li> </ul>	<ul> <li>15.56% of all materials used in Sanuk footwear were made from preferred materials</li> </ul>	<ul> <li>35.69% of all materials used in Sanuk footwear were made from preferred materials</li> </ul>	<ul> <li>44.18% of all materials used in Sanuk footwear were made from preferred materials</li> </ul>	On Track	2027	
75% of all fibers used in Sanuk footwear will be made from preferred materials	<ul> <li>10.79% of all fibers used in Sanuk footwear were made from preferred materials</li> </ul>	<ul> <li>14.24% of all fibers used in Sanuk footwear were made from preferred materials</li> </ul>	<ul> <li>37.26% of all fibers used in Sanuk footwear were made from preferred materials</li> </ul>	<ul> <li>64.05% of all fibers used in Sanuk footwear were made from preferred materials</li> </ul>	On Track	2027	
50% of all non-fibers used in Sanuk footwear will be made from preferred materials	<ul> <li>9.30% of all non-fibers used in Sanuk footwear uses of recycled, repurposed, regenerated (<i>plant-based</i>), renewable (<i>bio-based</i>), or certified/ preferred natural non- fibers</li> </ul>	<ul> <li>29.24% of all non-fibers used in Sanuk footwear uses of recycled, repurposed, regenerated (<i>plant-based</i>), renewable (<i>bio-based</i>), or certified/ preferred natural non- fibers</li> </ul>	<ul> <li>35.39% of all non-fibers used in Sanuk footwear uses of recycled, repurposed, regenerated (<i>plant-based</i>), renewable (<i>bio-based</i>), or certified/ preferred natural non- fibers</li> </ul>	<ul> <li>40.56% of all non-fibers used in Sanuk footwear uses of recycled, repurposed, regenerated (<i>plant-based</i>), renewable (<i>bio-based</i>), or certified/ preferred natural non- fibers</li> </ul>	On Track	2027	
100% of footwear SKUs are comprised of at least one preferred material	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>99.38% of footwear SKUs were comprised of at least one preferred material</li> </ul>	<ul> <li>99.42% of footwear SKUs were comprised of at least one preferred material</li> </ul>	On Track	2025	
90% of all plant-based fibers will be made from preferred materials	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>61.28% of all plant based fibers were made from preferred materials</li> </ul>	<ul> <li>83.74% of all plant based fibers were made from preferred materials</li> </ul>	On Track	2025	
100% of cotton fiber used in our footwear, within all material categories, will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>Committed to not sourcing cotton from countries or locations which support forced labor</li> </ul>	<ul> <li>No cotton sourced from countries known to practice forced labor</li> <li>11.10% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>53.10% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>78.10% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	On Track	2027	
100% of all leather hides ( <i>i.e., leather, suede, and sheepskin</i> ) used in footwear will either come from recycled sources or be finished in a Leather Working Group ( <i>LWG</i> )-certified tannery	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	On Track	2022	
Trace 100% of all leather hides <i>(i.e., leather, suede, and sheepskin)</i> used in our footwear back to the country of origin, within the leather and sheepskin material categories	<ul> <li>96.24% of all hides used in our footwear traced back to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>97.30% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100.00% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in our footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021	
Eliminate virgin wool in Sanuk footwear, and to the extent that is not achievable, ensure that any virgin wool used Responsible Wool Standard <i>(RWS)</i> -certified	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Of all fibers, used 0.52% were wool. Of this wool, 11.96% was repurposed and 88.03% was virgin or untraced, with a commitment to ensure it is RWS-certified by 2022</li> </ul>	<ul> <li>54.08% of wool used in our footwear was repurposed wool or RWS wool and 45.92% was virgin or untraced, with a commitment to either completely eliminating virgin wool in footwear or ensuring any virgin wool used is RWS-certified by 2022</li> </ul>	In progress - Target achievable FY23	2022	
100% of timber used in our packaging and products to originate from sources that legally harvest, source, transport, and export timber. Deckers will not use any timber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>92.64% of all timber products used in our products and packaging were FSC-certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>90.96% of all timber products used in our products and packaging were FSC-certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>93.09% of all timber products used in our products and packaging were FSC-certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>94.40% of all timber products used in our products and packaging were FSC-certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	On Track	2026	
50% of all natural rubber used in our footwear to originate from recycled sources or sources that legally harvest, source, transport, and export rubber. Deckers will not use any rubber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>14.14% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	<ul> <li>16.17% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	On Track	2026	

#### SUSTAINABLE DEVELOPMENT GOALS: SANUK MATERIALS (CONTINUED)

		sanük				
TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
25% of all fibers used in our footwear will use preferred finishing methods ( <i>inclusive of preferred dying methods, bleach only methods and undyed materials (e.g. greige)</i>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>0.27% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	<ul> <li>16.71% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	On Track	2027
Our business, brands, and products will actively engage in the circular economy (design out waste and pollution, keep products and materials in use, and regenerate natural systems)	<ul> <li>Target first conceptualized in fiscal year 2022</li> </ul>	<ul> <li>Target first conceptualized in fiscal year 2022</li> </ul>	• Target established	<ul> <li>Sanuk focused on using recycled synthetic materials were possible, reducing manufacturing impact (<i>finishing of textiles</i>), and incorporating more plant-based materials</li> </ul>	In progress - Target achievable	2030

#### SUSTAINABLE DEVELOPMENT GOALS: KOOLABURRA MATERIALS (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
50% of all materials used in Koolaburra footwear will be made from preferred materials	<ul> <li>39.96% of all materials used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>38.31% of all materials used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>39.44% of all materials used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>29.81% of all materials used in Koolaburra footwear were made from preferred materials</li> </ul>	On Track	2027
30% of all fibers used in Koolaburra footwear will be made from preferred materials	<ul> <li>3.13% of all fibers used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>3.52% of all fibers used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>5.79% of all fibers used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>3.55% of all fibers used in Koolaburra footwear were made from preferred materials</li> </ul>	On Track	2027
60% of all non-fibers used in Koolaburra footwear will be made from preferred materials	<ul> <li>51.41% of all non-fibers used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>55.18% of all non-fibers used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>47.12% of all non-fibers used in Koolaburra footwear were made from preferred materials</li> </ul>	<ul> <li>41.26% of all non-fibers used in Koolaburra footwear were made from preferred materials</li> </ul>	On Track	2027
100% of footwear SKUs are comprised of at least one preferred material	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>94.86% of footwear SKUs are comprised of at least one preferred material</li> </ul>	<ul> <li>96.64% of footwear SKUs are comprised of at least one preferred material</li> </ul>	On Track	2030
100% of all leather hides ( <i>i.e., leather, suede, and sheepskin</i> ) used in footwear will either come from recycled sources or be finished in a Leather Working Group ( <i>LWG</i> )-certified tannery	<ul> <li>87.35% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>99.94% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>99.97% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	<ul> <li>100% of all leather hides used in footwear were sourced from LWG-certified tanneries or were recycled leather</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2022
Trace 100% of all leather hides <i>(i.e., leather, suede, and sheepskin)</i> used in our footwear back to the country of origin, within the leather and sheepskin material categories	<ul> <li>96.24% of all hides used in footwear traced back to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>97.30% of all hides used in footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	<ul> <li>100% of all hides used in footwear traced to country of origin, within the leather and sheepskin material categories</li> </ul>	On Track	2021
Eliminate virgin wool in our footwear, and to the extent that is not achievable, ensure that any virgin wool used Responsible Wool Standard <i>(RWS)</i> -certified	<ul> <li>No wool used</li> </ul>	<ul> <li>No wool used</li> </ul>	<ul> <li>100% of wool used in Koolaburra footwear was repurposed wool</li> </ul>	<ul> <li>100% of wool used in Koolaburra footwear was repurposed wool or RWS wool</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2022
Replace 30% of all faux fur with plant-based faux fur, bio-based faux fur or recycled synthetic fibers, within all material categories in our footwear products	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target established</li> </ul>	<ul> <li>0.19% of all faux fur was made using plant based faux fur, bio-based faux fur or recycled synthetic fibers within our footwear products</li> </ul>	On Track	2027
100% of cotton fiber used in our footwear, within all material categories, will be made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices	<ul> <li>0.00% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>0.00% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>0.00% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	<ul> <li>12.24% of cotton fiber used in our footwear was made from recycled cotton fibers or sourced from farms that utilize sustainable crop growing practices</li> </ul>	On Track	2025

#### SUSTAINABLE DEVELOPMENT GOALS: KOOLABURRA MATERIALS (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
30% of all co-polyester fibers and films in our footwear to originate from post-consumer, post-industrial, or renewable resources	<ul> <li>2.25% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>4.3% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>10.05% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	<ul> <li>4.04% of all co-polyester fibers and films used in our footwear originated from post- consumer, post-industrial or renewable resources</li> </ul>	On Track	2027
100% of timber used in our packaging and products to originate from sources that legally harvest, source, transport, and export timber. Deckers will not use any timber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>Lack of packaging data - improvement needed to report</li> </ul>	<ul> <li>Lack of packaging data - improvement needed to report</li> </ul>	<ul> <li>96.99% of all timber products used in our products and packaging were FSC-certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	<ul> <li>97.51% of all timber products used in our products and packaging were FSC-certified or contained post-consumer recycled content and/or pre-consumer recycled content</li> </ul>	On Track	2026
50% of all natural rubber used in our footwear to originate from recycled sources or sources that legally harvest, source, transport, and export rubber. Deckers will not use any rubber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target established</li> </ul>	<ul> <li>5.97% of all natural rubber used in our footwear originated from recycled sources or sources that legally harvested, sourced, transported, and exported</li> </ul>	On Track	2026
20% of all fibers used in our footwear will use preferred finishing methods (inclusive of preferred dying methods, bleach only methods and undyed materials (e.g. greige)	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>0.00% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	<ul> <li>10.87% of our footwear materials used preferred dye methods, bleach only methods or implement more raw and undyed materials (greige)</li> </ul>	On Track	2027
Our business, brands, and products will actively engage in the circular economy (design out waste and pollution, keep products and materials in use, and regenerate natural systems)	<ul> <li>Target first conceptualized in fiscal year 2022</li> </ul>	<ul> <li>Target first conceptualized in fiscal year 2022</li> </ul>	<ul> <li>Target established</li> </ul>	<ul> <li>Koolaburra continues to create high-quality products intended to last</li> </ul>	In progress - Target achievable	2030



#### WASTE

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

(This target advances the United Nations Global Compact SDG numbers 7, 12, and 13)



#### SUSTAINABLE DEVELOPMENT GOALS: DECKERS BRANDS WASTE GENERATION

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
<ul> <li>Reduce waste generation among employees and brand teams at our corporate headquarters</li> </ul>	<ul> <li>Eliminated paper cups and compostable utensils at corporate headquarters</li> <li>Digitization of product creation to reduce product sample creation and waste.</li> <li>Launched Sanuk virtual brand conference</li> <li>Filmed video series highlighting headquarters and distribution center waste mitigation efforts</li> </ul>	<ul> <li>Eliminated most single use plastic at corporate office locations and retail stores</li> <li>Teva team saw a 50% reduction in product sample creation through use of digitization technology</li> <li>Sanuk continues virtual brand conferences</li> <li>All brands holding virtual brand conferences in FY21</li> </ul>	<ul> <li>Maintained corporate headquarters single- use plastic elimination</li> <li>Corporate headquarters closed FY21 as employees worked from home</li> <li>APAC offices eliminated 17,964 plastic bottles and worked with 7 supply chain partners to eliminate 51,335 plastic bottles</li> <li>Continued utilization of 3D technology product renderings and samples</li> </ul>	<ul> <li>Maintained corporate headquarters single-use plastic elimination</li> <li>Hybrid work environment meant many employees did not return to our corporate headquarters in FY22 as many employees continued to worked from home</li> <li>APAC offices continued working with our supply chain partners to work towards the elimination of plastic water bottles</li> <li>Continued utilization of 3D technology product renderings and samples</li> </ul>	On Track	2027
Increase the number of 'Monitored' Tier 1 and Tier 2 partners year over year and record waste produced for each partner	<ul> <li>Monitored the waste generation of: 13 Tier 1 supply chain partners, 12 Tier 2 suppliers, 6 Bottom units, and 6 tannery facilities</li> </ul>	<ul> <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>	<ul> <li>Monitored waste generation among 14 Tier 1 partners, 8 Tier 2 bottom suppliers and 9 Tier 2 tanneries unfortunately saw increases per pair at all levels</li> </ul>	<ul> <li>Monitored waste generation among 15 Tier 1 partners, 7 Tier 2 bottom suppliers and 8 Tier 2 tanneries</li> <li>Unfortunately saw an increase in waste generation at Tier 1 footwear factories, but we did see a decrease in Tier 2 bottom suppliers and Tier 2 tanneries</li> </ul>	In progress - Target achievable	2027

#### SUSTAINABLE DEVELOPMENT GOALS: UGG (TIER 2 WASTE GENERATION TARGETS)



#### SUSTAINABLE DEVELOPMENT GOALS: UGG (TIER 2 WASTE GENERATION TARGETS)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
UGG Footwear Leather Waste Reduction Targets (Tier 1): Maintain or reduce waste to 0.046 lbs/pair	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained to 0.046 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.042 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.035 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
UGG Footwear Sheepskin Waste Reduction Targets (Tier 1): Maintain or reduce waste to 0.055 lbs/pair	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained to 0.055 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.049 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.039 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
UGG Footwear Packaging Waste Reduction Targets (Tier 2): Maintain Packaging Waste within 2%	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
UGG Apparel, accessories, and Home Goods Packaging Waste Reduction Targets (Tier 2): Maintain Packaging Waste within 2%	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
UGG Footwear Textile Waste Reduction Targets (Tier 2): Maintain or reduce waste to 0.015 lbs/pair	<ul> <li>Baseline established</li> </ul>	<ul> <li>Slightly off target at 0.016 lbs/pair</li> </ul>	<ul> <li>Maintained to 0.015 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.012 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Using UGG's FY21 data, determine baseline for waste produced for UGG apparel, accessories, and home goods materials at the finished material creation level and set reduction targets in FY23	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Working with apparel, accessories and home team to establish a baseline</li> </ul>	<ul> <li>Working with apparel, accessories and home team to establish a baseline</li> </ul>	New	2030

#### SUSTAINABLE DEVELOPMENT GOALS: HOKA (TIER 2 WASTE GENERATION TARGETS)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
HOKA Footwear Midsole/Outsole Waste Reduction Targets (Tier 2): Maintain or reduce waste to 0.130 lbs/pair	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained and reduced to 0.110 lbs/pair</li> </ul>	<ul> <li>Maintained to 0.120 lbs/pair</li> </ul>	<ul> <li>Maintained to 0.121 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
HOKA Footwear Packaging Waste Reduction Targets (Tier 2): Maintain Packaging Waste within 2%	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030

#### SUSTAINABLE DEVELOPMENT GOALS: HOKA (TIER 2 WASTE GENERATION TARGETS)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
HOKA Apparel and accessories, Packaging Waste Reduction Targets <i>(Tier 2)</i> : Maintain Packaging Waste within 2%	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
HOKA Footwear Textile Waste Reduction Targets ( <i>Tier 2</i> ): Maintain or reduce waste to 0.045 lbs/pair	<ul> <li>Baseline established</li> </ul>	<ul> <li>Slightly off target at 0.053 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.035 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.022 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Using HOKA's FY21 data, determine baseline for waste produced for Hoka apparel and accessories at the finished material creation level and set reduction targets in FY23	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Baseline established</li> </ul>	<ul> <li>Targets conceptualized - to be communicated in FY23</li> </ul>	New	2030

#### SUSTAINABLE DEVELOPMENT GOALS: TEVA (TIER 2 WASTE GENERATION TARGETS)

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TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Teva Footwear Midsole/Outsole Waste Reduction Targets (Tier 2): Maintain or reduce waste to 0.100 lbs/pair	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained and reduced to 0.088 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.085 lbs/pair</li> </ul>	<ul> <li>Maintained to 0.092 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Teva Footwear Packaging Waste Reduction Targets (Tier 2): Maintain Packaging Waste within 2%	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Teva Footwear Textile Waste Reduction Targets (Tier 2): Maintain or reduce waste to 0.020lbs/pair	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained to 0.020 lbs/pair</li> </ul>	<ul> <li>Slightly off target at 0.021 lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.017 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030

#### SUSTAINABLE DEVELOPMENT GOALS: SANUK (TIER 2 WASTE GENERATION TARGETS)



#### SUSTAINABLE DEVELOPMENT GOALS: SANUK (TIER 2 WASTE GENERATION TARGETS)

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TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Sanuk Footwear Packaging Waste Reduction Targets ( <i>Tier</i> 2): Maintain Packaging Waste within 2%	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Sanuk Footwear Textile Waste Reduction Targets <i>(Tier 2)</i> : Maintain or reduce waste to 0.009 lbs/pair	<ul> <li>Baseline established</li> </ul>	<ul> <li>Slightly off target at 0.010lbs/pair</li> </ul>	<ul> <li>Maintained and reduced to 0.008 lbs/pair</li> </ul>	<ul> <li>Maintained to 0.009 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030

#### SUSTAINABLE DEVELOPMENT GOALS: KOOLABURRA (TIER 1 & TIER 2 WASTE GENERATION TARGETS)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Koolaburra Footwear Midsole/Outsole Waste Reduction Targets ( <i>Tier 2</i> ): Maintain or reduce waste to 0.085 lbs/pair	• N/A	■ N/A	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained and reduced to 0.083 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Koolaburra Footwear Leather Waste Reduction Targets ( <i>Tier 1</i> ): Maintain or reduce waste to 0.062 lbs/pair	• N/A	▪ N/A	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained and reduced to 0.053 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Koolaburra Footwear Sheepskin Waste Reduction Targets ( <i>Tier 1</i> ): Maintain or reduce waste to 0.01 lbs/pair	• N/A	▪ N/A	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained and reduced to 0.005 lbs/pair</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Koolaburra Footwear Packaging Waste Reduction Targets ( <i>Tier 2</i> ): Maintain Packaging Waste within 2%	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Baseline established</li> </ul>	<ul> <li>Maintained packaging waste within 2%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Koolaburra Footwear Textile Waste Reduction Targets ( <i>Tier 2</i> ): Maintain or reduce waste to 0.025 lbs/pair	• N/A	■ N/A	<ul> <li>Baseline established</li> </ul>	<ul> <li>Slightly off target at 0.031 lbs/pair</li> </ul>	In progress - Target achievable	2030

13 CLIMATE ACTION

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#### WASTE



(This target advances the United Nations Global Compact SDG numbers 7, 12, and 13)

#### SUSTAINABLE DEVELOPMENT GOALS: WASTE DIVERSION

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
Increase the number of monitored Tier 1 and Tier 2 partners year over year and set waste diversion targets	<ul> <li>Monitored 13 Tier 1 supply chain partners' waste and set initial waste diversion rate targets of 30%</li> </ul>	<ul> <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>	<ul> <li>Monitored 14 Tier 1 supply chain partners waste and saw a 34% waste diversion rate with a goal to increase this diversion rate by 10% in FY22</li> </ul>	<ul> <li>Monitored 15 Tier 1 supply chain partners waste and saw a 23.09% waste diversion rate with a goal to increase this diversion rate by 10% in FY23</li> </ul>	In progress - Target achievable	2027
		<ul> <li>All Tier 2 supply chain partners waste diversion included as part of our LCA outreach</li> </ul>	<ul> <li>All Tier 2 supply chain partners waste diversion included as part of our LCA outreach</li> </ul>			

#### **SUSTAINABLE DEVELOPMENT GOALS: UGG** (TIER 2 WASTE DIVERSION TARGETS)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DU
GG Footwear Midsole/Outsole Waste Diversion Targets <i>Fier 2</i> ): 70% Preferred Waste Diversion	<ul> <li>8.37% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>11.97% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>11.99% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>97.20% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	203
GG Footwear Packaging Waste Diversion Targets <i>(Tier</i> : 99% Preferred Waste Diversion	<ul> <li>82.48% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>97.41% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.42% of Packaging Waste produced was diverted in a preferred method</li> <li>*Note, above numbers are corrected from prior reporting</li> </ul>	<ul> <li>99.44% of Packaging Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	20
UGG Apparel, accessories, and Home Goods Packaging Waste Diversion Targets <i>(Tier 2)</i> : 95% Preferred Waste Diversion	<ul> <li>16.92% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>93.33% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>94.91% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>94.24% of Packaging Waste produced was diverted in a preferred method</li> </ul>	On Track	20
		*Note, above numbers are corrected from prior reporting due to a material reclassification	*Note, above numbers are corrected from prior reporting due to a material reclassification			



#### SUSTAINABLE DEVELOPMENT GOALS: UGG (TIER 2 WASTE DIVERSION TARGETS)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
UGG Footwear Textile Waste Diversion Targets <i>(Tier 2)</i> : 80% Preferred Waste Diversion	<ul> <li>80.65% of Textile Waste produced was diverted in a preferred method</li> <li>*Note, above numbers are corrected from prior reporting due to a material reclassification</li> </ul>	<ul> <li>80.62% of Textile Waste produced was diverted in a preferred method</li> <li>*Note, above numbers are corrected from prior reporting due to a material reclassification</li> </ul>	<ul> <li>87.50% of Textile Waste produced was diverted in a preferred method</li> <li>*Note, above numbers are corrected from prior reporting due to a material reclassification</li> </ul>	<ul> <li>88.33% of Textile Waste produced was diverted in a preferred method</li> </ul>	On Track	2030
UGG Apparel, Accessories, and Home Goods Textile Waste Diversion Targets ( <i>Tier 2</i> ): 85% Preferred Waste Diversion	<ul> <li>70.59% of Textile Waste produced was diverted in a preferred method</li> <li>*Note, above numbers are corrected from prior reporting due to a material reclassification</li> </ul>	<ul> <li>84.97% of Textile Waste produced was diverted in a preferred method</li> <li>*Note, above numbers are corrected from prior reporting due to a material reclassification</li> </ul>	<ul> <li>58.39% of Textile Waste produced was diverted in a preferred method</li> <li>*Note, above numbers are corrected from prior reporting due to a material reclassification"</li> </ul>	<ul> <li>87.46% of Textile Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
UGG Footwear Packaging Availability to Recycle Target: 80-85% of all packaging materials have the availability to be recycled via the EPA Recycling Standards	<ul> <li>70.9% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>72.0% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>73.80% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>73.16% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	On Track	2030
UGG Apparel, Accessories, and Home Goods Packaging Availability to Recycle Target: 75-80% of all packaging materials have the availability to be recycled via the EPA Recycling Standards	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Work in progress, baseline to be set in FY23</li> </ul>	<ul> <li>Work in progress, baseline to be set in FY23</li> </ul>	On Track	2030

#### SUSTAINABLE DEVELOPMENT GOALS: HOKA (TIER 2 WASTE DIVERSION TARGETS)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
HOKA Footwear Midsole/Outsole Waste Diversion Targets ( <i>Tier 2</i> ): 60% Preferred Waste Diversion	<ul> <li>22.64% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>21.47% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>30.55% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>93.89% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
HOKA Footwear Packaging Waste Diversion Targets ( <i>Tier 2</i> ): 99% Preferred Waste Diversion	<ul> <li>91.61% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.90% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.96% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.93% of Packaging Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
HOKA Apparel and accessories, Packaging Waste Diversion Targets ( <i>Tier 2</i> ): 95% Preferred Waste Diversion	<ul> <li>21.41% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.65% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.47% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.93% of Packaging Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
HOKA Footwear Textile Waste Diversion Targets <i>(Tier 2)</i> : 90% Preferred Waste Diversion	<ul> <li>91.37% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>87.59% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>94.22% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>97.30% of Textile Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
HOKA Apparel and Accessories, Textile Waste Diversion Targets ( <i>Tier 2</i> ): 90% Preferred Waste Diversion	<ul> <li>2.02% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>65.82% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>58.40% of Textile Waste produced was diverted in a preferred method</li> <li>*Note, above numbers are corrected from prior reporting"</li> </ul>	<ul> <li>77.65% of Textile Waste produced was diverted in a preferred method</li> </ul>	On Track	2030

#### SUSTAINABLE DEVELOPMENT GOALS: HOKA (TIER 2 WASTE DIVERSION TARGETS)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION DU OF PROGRESS	JE
HOKA Footwear Packaging Availability to Recycle Target: 75-85% of all packaging materials have the availability to be recycled via the EPA Recycling Standards	<ul> <li>78.8% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>80.6% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>79.0% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>78.34% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	Target Achieved 203 - FY23 and beyond target is to maintain	30
HOKA Apparel and Accessories, Packaging Availability to Recycle Target: 55-65% of all packaging materials have the availability to be recycled via the EPA Recycling Standards	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Work in progress</li> </ul>	<ul> <li>Work in progress</li> </ul>	In progress 203 - Target achievable	30

#### SUSTAINABLE DEVELOPMENT GOALS: TEVA (TIER 2 WASTE DIVERSION TARGETS)

		Teva.				
TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Teva Footwear Midsole/Outsole Waste Diversion Targets ( <i>Tier 2</i> ): 80% Preferred Waste Diversion	<ul> <li>16.05% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>26.80% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>32.17% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>90.30% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Teva Footwear Packaging Waste Diversion Targets ( <i>Tier 2</i> ): 99% Preferred Waste Diversion	<ul> <li>90.23% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>94.91% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.52% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.92% of Packaging Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Teva Footwear Textile Waste Diversion Targets ( <i>Tier 2</i> ): 80% Preferred Waste Diversion	<ul> <li>67.07% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>71.10% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>71.35% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>91.10% of Textile Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Teva Footwear Packaging Availability to Recycle Target: 80-85% of all packaging materials have the availability to be recycled via the EPA Recycling Standards	<ul> <li>80.3% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>81.2% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>83.3% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>84.18% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030

#### SUSTAINABLE DEVELOPMENT GOALS: SANUK (TIER 2 WASTE DIVERSION TARGETS)



SCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
of Midsole/Outsole Waste produced rted in a preferred method	On Track	2030
f Packaging Waste produced was in a preferred method	On Track	2030

#### SUSTAINABLE DEVELOPMENT GOALS: SANUK (TIER 2 WASTE DIVERSION TARGETS)

		sanük				
TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Sanuk Footwear Textile Waste Diversion Targets ( <i>Tier 2</i> ): 70% Preferred Waste Diversion	<ul> <li>33.70% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>28.29% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>41.87% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>44.20% of Textile Waste produced was diverted in a preferred method</li> </ul>	On Track	2030
Sanuk Footwear Packaging Availability to Recycle Target: 70-75% of all packaging materials have the availability to be recycled via the EPA Recycling Standards	<ul> <li>69.5% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>65.7% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>67.7% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>67.09% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	On Track	2030

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Koolaburra Footwear Midsole/Outsole Waste Diversion Targets ( <i>Tier 2</i> ): 60% Preferred Waste Diversion	<ul> <li>0% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>0% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>0.46% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>24.10% of Midsole/Outsole Waste produced was diverted in a preferred method</li> </ul>	On Track	2030
Koolaburra Footwear Packaging Waste Diversion Targets ( <i>Tier 2</i> ): 99% Preferred Waste Diversion	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>98.43% of Packaging Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>99.40% of Packaging Waste produced was diverted in a preferred method</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Koolaburra Footwear Textile Waste Diversion Targets ( <i>Tier</i> 2): 50% Preferred Waste Diversion	<ul> <li>23.77% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>3.33% of Textile Waste produced was diverted in a preferred method.</li> </ul>	<ul> <li>12.06% of Textile Waste produced was diverted in a preferred method</li> </ul>	<ul> <li>6.40% of Textile Waste produced was diverted in a preferred method</li> </ul>	In progress - Target achievable	2030
Koolaburra Footwear Packaging Availability to Recycle Target: 75-85% of all packaging materials have the availability to be recycled via the EPA Recycling Standards	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>72.2% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	<ul> <li>64.08% of all footwear packaging has the availability to be recycled via the EPA Recycling Standards</li> </ul>	In progress - Target achievable	2030

#### WATER

6 CLEAN WATER AND SANITATION

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REDUCE WATER CONSUMPTION AND IMPROVE WATER QUALITY THROUGHOUT DUR OPERATIONS AND THE COMMUNITIES IN WHICH WE OPERATE

This target advances the United Nations Global Compact SDG number 6

#### SUSTAINABLE DEVELOPMENT GOALS: WATER

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
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> <li>5.4% reduction in water usage at Tier 1 level achieved</li> </ul>	<ul> <li>4% reduction in water usage at the Tier 1 level achieved</li> </ul>	<ul> <li>Monitored 14 Tier 1 partners, 7 Tier 2 bottom suppliers and 8 Tier 2 tanneries</li> </ul>	<ul> <li>Monitored 15 Tier 1 partners, 7 Tier 2 bottom suppliers and 8 Tier 2 tanneries</li> </ul>	On Track	2022
		<ul> <li>Tier 2 baseline set and target to reduce water usage at Tier 2 level by FY22 adopted</li> </ul>	<ul> <li>Saw a 28% reduction at Tier 1, a 21% increase at Tier 2 bottom suppliers, a 11% decrease at Tier 2 category C tanneries, a 16% increase at Tier 2 category D tanneries, and a 26% decrease at Tier 2 category F tanneries</li> </ul>	<ul> <li>Saw a 2.46% increase at Tier 1, a 29.41% increase at Tier 2 bottom suppliers, a 13.17% increase at Tier 2 category C tanneries, a 20.86% decrease at Tier 2 category D tanneries, and a 31.57% decrease at Tier 2 category F tanneries</li> </ul>		
Sanuk to continue utilizing charitable contribution spend by supporting water related conservation efforts	<ul> <li>Sanuk supported Surfrider Foundation, an organization dedicated to the protection and</li> </ul>	<ul> <li>Sanuk supported the Surfrider Foundation and the Fish Reef Project</li> </ul>	<ul> <li>Sanuk continued to support the Surfrider Foundation</li> </ul>	<ul> <li>Sanuk continued to support the Surfrider Foundation</li> </ul>	On Track	2027
	enjoyment of the world's ocean waves and beachesfor all peoplethrough a powerful activist network			<ul> <li>Surfrider Foundation hosted a virtual webinar for our employees speaking about plastic pollution and providing resources for employees to get more involved</li> </ul>		
Host an annual beach cleanup in one of the communities in which we operate	<ul> <li>Target set and communicated</li> </ul>	<ul> <li>APAC team hosted a beach cleanup in Vietnam during supplier summit</li> </ul>	<ul> <li>Shifted APAC volunteer efforts in FY21 to COVID relief efforts. Plan to conduct an annual beach cleanup in FY22</li> </ul>	<ul> <li>Offices around the globe hosted beach clean ups (US and APAC)</li> </ul>	On Track	2027
Ensure best in class water mitigation efforts at corporate headquarters location	<ul> <li>Low flow fixtures that save 350,000 gallons of water each year</li> </ul>	<ul> <li>Target maintained</li> </ul>	<ul> <li>Target maintained</li> </ul>	<ul> <li>Target maintained</li> </ul>	Target Maintained	2020
	Filmed video series highlighting headquarters and distribution center waste mitigation efforts					
	Drought tolerant landscaping and use of culvert system where rainfall is collected and put into the wetland restoration area that surrounds our campus"					
Headquarters Water Consumption Monitoring	<ul> <li>Water HQ (units in gallons) Fiscal 2019 - 36,018.70</li> </ul>	<ul> <li>Water HQ (units in gallons) Fiscal 2020 - 31,186.30</li> </ul>	<ul> <li>Water HQ (units in gallons) Fiscal 2021 - 34,829.30</li> </ul>	<ul> <li>Water HQ (units in gallons) Fiscal 2022 - 27,872.00</li> </ul>	Monitoring Target	2030



#### SUSTAINABLE DEVELOPMENT GOALS: WATER (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Baseline apparel, accessories, and home goods water usage at the finished material creation level and set reduction targets in FY22 <i>(baseline year 2021)</i>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Baseline Year Complete - Targets conceptualized and will be communicated in FY22</li> </ul>	<ul> <li>Work in progress. Baseline shall be FY23.</li> </ul>	On Track	2022
Ensure 100% of our leather hides sourced from Leather Working Group ( <i>LWG</i> )-certified tanneries that support responsible water usage in our Footwear	<ul> <li>97% of leather hides from LWG-certified tanneries that support responsible water usage</li> </ul>	<ul> <li>97.33% of leather hides from LWG-certified tanneries that support responsible water usage</li> </ul>	<ul> <li>99.88% of leather hides from LWG-certified tanneries that support responsible water usage (including recycled leather).</li> <li>100% of our sheepskin from LWG-certified tanneries that support responsible water usage"</li> </ul>	<ul> <li>100% of leather hides from LWG-certified tanneries that support responsible water usage</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2027
UGG footwear to reduce water usage by 30% per pair	<ul> <li>Baseline yearstudy completed</li> </ul>	<ul> <li>UGG reduced water usage by 6.17% per pair when compared to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from prior reporting"</li> </ul>	<ul> <li>UGG reduced water usage by 15.29% per pair when compared to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from prior reporting"</li> </ul>	<ul> <li>UGG reduced water usage by 37.19% per pair when compared to baseline line year (FY19)</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
HOKA footwear to reduce water usage by 20% per pair	<ul> <li>Baseline yearstudy completed</li> </ul>	<ul> <li>HOKA increased water usage by 15.08% per pair by when compared to baseline line year (FY19)</li> </ul>	<ul> <li>HOKA increased water usage by 13.97% per pair (1% reduction from FY20) when compared to baseline line year (FY19)</li> </ul>	<ul> <li>Hoka reduced water usage by 9.21% per pair when compared to baseline line year (FY19)</li> </ul>	On Track	2030
Teva footwear to reduce water usage by 45% per pair	<ul> <li>Baseline yearstudy completed</li> </ul>	<ul> <li>Teva reduced water usage by 14.01% per pair when compared to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from prior reporting</li> </ul>	<ul> <li>Teva reduced water usage by 31.67% per pair when compared to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from prior reporting"</li> </ul>	<ul> <li>Teva reduced water usage by 33.29% per pair when compared to baseline line year (FY19)</li> </ul>	On Track	2030
Sanuk footwear to reduce water usage by 30% per pair	<ul> <li>Baseline yearstudy completed</li> </ul>	<ul> <li>Sanuk increased water usage by 14.89% per pair when compared to baseline line year (FY19)</li> </ul>	<ul> <li>Sanuk reduced water usage by 13.81% per pair when compared to baseline line year (FY19)</li> </ul>	<ul> <li>Sanuk reduced water usage by 32.50% per pair when compared to baseline line year (FY19)</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Koolaburra footwear to reduce water usage by 35% per pair	<ul> <li>Baseline yearstudy completed</li> </ul>	<ul> <li>Koolaburra reduced water usage by 30.96% per pair when compared to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from prior reporting</li> </ul>	<ul> <li>Koolaburra reduced water usage by 26.72% per pair when compared to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from prior reporting</li> </ul>	<ul> <li>Koolaburra reduced water usage by 18.75% per pair when compared to baseline line year (FY19)</li> </ul>	On Track	2030
Reduce or maintain (+/- 2%) water usage per pair among all packaging materials in our footwear after FY21	<ul> <li>Baseline yearstudy completed</li> </ul>	<ul> <li>Completed Footwear Packaging Water Usage Study. Below shows FY19 v. FY20 water usage per pair:</li> <li>UGG: -39.62% HOKA: +0.85% Teva: -29.06% Sanuk:-41.80% Koolaburra: Did Not Record"</li> </ul>	<ul> <li>Completed Footwear Packaging Water Usage Study. Below shows FY19 v. FY21 water usage per pair:</li> <li>UGG: -50.84% HOKA: -0.44% Teva: -35.23% Sanuk:-31.18% Koolaburra: FY21 Baseline Year</li> </ul>	<ul> <li>Completed Footwear Packaging Water Usage Study. Below shows FY19 v. FY22 water usage per pair:</li> <li>UGG: -54.82% HOKA: +0.79% Teva: -36.04% Sanuk:-29.96% Koolaburra: +1.84%"</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021
Support at least one water program a year focused on providing reliable, ongoing water and sanitation service and support to our global communities	<ul> <li>Target first conceptualized FY21</li> </ul>	• Target first conceptualized FY21	• Target Conceptualized	• Open item - considering by 2023	On Track	2030



#### CLIMATE AND CLEAN ENERGY

REDUCED ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS THROUGHOUT OUR OPERATIONS

(This target advances the United Nations Globa Compact SDG numbers 7, 12, and 13)

#### SUSTAINABLE DEVELOPMENT GOALS: CLIMATE AND CLEAN ENERGY

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
Reduce employee travel by 50%	<ul> <li>Target first conceptualized in FY20</li> </ul>	<ul> <li>Global employees air travel emitted 11,641,280 pounds or 5,820.64 tons of CO2</li> </ul>	<ul> <li>Global employees air travel emitted 163,115 pounds or 81.55 tons of CO2 (not an accurate reflection of employee travel due to COVID-19)</li> </ul>	Global employees travel emitted 1,889,484.70 pounds or 944.74 tons of CO2 *Note the above is inclusive of air, hotel and train not just air as disclosed in prior years"	On Track	2025
Encourage employee utilization of alternative commute program to save over 50 tons of CO2 annually	<ul> <li>Employees recorded and saved 71.07 tons of CO2 through alternative commute strategies</li> </ul>	<ul> <li>Employees recorded and saved 80.74 tons of CO2 through alternative commute strategies</li> </ul>	<ul> <li>Unable to track in FY21 as employees were not commuting into office (remote work)</li> </ul>	<ul> <li>Still in a hybrid work environment and not an accurate metric to track in FY22</li> </ul>	In progress - Target achievable	2027
100% renewable energy in owned and operated facilities	<ul> <li>Continue to increase our year-over-year solar usage at our U.S. locations ongoing monitoring of energy usage at our retail stores, U.S. headquarter, and main U.S. distribution center</li> </ul>	<ul> <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>	<ul> <li>Deckers HQ is 100% renewable as of October 2021 (combination Solar and Goleta Green Grid)</li> <li>Continued to track usage among US retail stores and majority of corporate office locations</li> </ul>	<ul> <li>Deckers HQ continues to be 100% renewable as of October 2021 (combination Solar and Goleta Green Grid)</li> <li>Continued to track usage among US retail stores and majority of corporate office locations and distribution centers</li> </ul>	On Track	2021
Increase awareness on Climate related issues	<ul> <li>"Environmental Policy adopted</li> <li>Filmed video series highlighting HQ/DC sustainability efforts"</li> </ul>	<ul> <li>Earth Day employee contest conceptualized in FY20 with deployment in FY21 to encourage employees to live in a more environmentally mindful way</li> </ul>	<ul> <li>Continued Earth Day employee contest to encourage employees to live more sustainably</li> <li>Held first ever Plastic Free July employee contest to bring visibility to how much plastic is used daily, encouraging employees to go plastic free</li> </ul>	<ul> <li>Continued Earth Day employee education bringing awareness to issues such as regenerative agriculture and climate change</li> <li>Held second Plastic Free July campaign to bring visibility to plastic pollution - this included a co-hosted virtual webinar with the Surfider Foundation</li> </ul>	On Track	2027
Of monitored Tier 1 facilities, reduce energy usage by 10%	<ul> <li>Monitored 13 Tier 1 supply chain partners energy consumption</li> </ul>	<ul> <li>Monitored 14 of Tier 1 footwear factories and reduced their energy consumption by 30%</li> </ul>	<ul> <li>Monitored 14 of Tier 1 footwear factories and reduced their energy consumption by 13.3%</li> </ul>	<ul> <li>Monitored 15 Tier 1 footwear factories who unfortunately increased their energy consumption by 2%</li> </ul>	In progress - Target achievable	2027

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#### SUSTAINABLE DEVELOPMENT GOALS: CLIMATE AND CLEAN ENERGY (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
Of monitored Tier 2 suppliers, reduce energy usage by 5%	<ul> <li>Monitored 12 Tier 2 suppliers, 6 bottom unit and 6 tannery facilities energy consumption</li> </ul>	<ul> <li>Monitored 17 Tier 2 suppliers. Of the 8 bottom unit facilities and tannery facilities energy consumption and set reduction target of 5%</li> </ul>	<ul> <li>Monitored 8 T2 bottom suppliers and saw significant reduction. Monitored 7 T2 tanneries and saw a slight increase of 2.27% in energy consumption</li> </ul>	<ul> <li>Monitored 7 T2 bottom suppliers who unfortunately increased their energy consumption by 30%</li> <li>Monitored 8 T2 tanneries and saw an increase among category C tannery partners while category D and F tannery partners decreased their energy consumption</li> </ul>	In progress - Target achievable	2027
File Science-Based Targets with Science-Based Targets Initiative (SBTi)	<ul> <li>Target first conceptualized in FY20</li> </ul>	<ul> <li>Target set</li> </ul>	<ul> <li>Filed and approved by SBTi</li> </ul>	<ul> <li>Continued to monitor and track progress against our approved science-based targets</li> </ul>	Target Achieved - FY23 and beyond target is to continue to monitor	2025
Science-based climate change goals	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Deckers commits to reduce absolute Scope 1 &amp; 2 GHG emissions 46% by 2030 (<i>FY31</i>) from a FY19 base year</li> <li>Deckers commits to reduce Scope 3 GHG emissions 58% per \$m gross profit by 2030 (<i>FY31</i>) from a FY19 base year</li> </ul>	<ul> <li>Maintained</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2031
<ul> <li>Deckers commits to reduce absolute Scope 1 &amp; 2 GHG emissions 46% by FY30 from a FY19 base year</li> <li>Deckers commits to reduce Scope 3 GHG emissions 58% per \$m gross profit by FY20 from a FY19 base year</li> </ul>	<ul> <li>Baseline Year</li> <li>Scope 1 &amp; 2 (<i>Market-based</i>): 1,493.54 tCO2e</li> <li>Scope 3: 888,727.31 tCO2e</li> </ul>	<ul> <li>Scope 1 &amp; 2 (Market-based): 1,239.49 tCO2e</li> <li>Absolute Change from Baseline Year: -17.01%</li> <li>Scope 3: 937,690.41 tCO2e</li> <li>Economic Intensity Change from Baseline Year: -0.59%</li> </ul>	<ul> <li>"Scope 1 &amp; 2 (Market-based): 1,012.41 tCO2e</li> <li>Absolute Change from Baseline Year: -32.21%</li> <li>Scope 3: 1,083,354.45</li> <li>Economic Intensity Change from Baseline Year: -7.75%</li> </ul>	<ul> <li>Scope 1 &amp; 2 (Market-based): 1,039.12 tCO2e</li> <li>Absolute Change from Baseline Year: -30.43%</li> <li>Scope 3: 1,433,427.08 tCO2e</li> <li>Percentage Change from Baseline Year: +4.33%</li> </ul>	In progress - Target achievable	2030
Baseline FY21 apparel, accessories, and home goods materials greenhouse gas emissions and energy usage produced at the finished material creation level and set reduction targets in FY22 (UGG and HOKA only)	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>"Baseline year complete</li> <li>Targets conceptualized and will be communicated in FY22"</li> </ul>	<ul> <li>Targets conceptualized and will be communicated in FY23</li> </ul>	On Track	2022
UGG footwear to reduce greenhouse gas emissions by 40% per pair and Energy usage by 35% per pair by 2030	<ul> <li>Baseline year, study completed</li> </ul>	<ul> <li>UGG reduced greenhouse gas emissions by 6.49% per pair and energy usage by 4.53% per pair when comparing to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from</li> </ul>	<ul> <li>UGG reduced greenhouse gas emissions by 14.68% per pair and energy usage by 12.88% per pair when comparing to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from</li> </ul>	• UGG reduced greenhouse gas emissions by 31.60% per pair and energy usage by 30.12% per pair when comparing to baseline line year <i>(FY19)</i>	On Track	2030
HOKA footwear to reduce greenhouse gas emissions by 20% per pair and Energy usage by 25% per pair by 2030	<ul> <li>Baseline year, study completed</li> </ul>	<ul> <li>HOKA increased greenhouse gas emissions by 7.94% per pair and energy usage by 6.65% per pair when comparing to baseline line year (FY19)</li> </ul>	<ul> <li>Prior reporting</li> <li>HOKA increased greenhouse gas emissions by 2.98% per pair (4.60% reduction from FY20) and energy usage by 3.57% per pair (2.89% reduction from FY20) when comparing to baseline line year (FY19)</li> </ul>	• HOKA reduced greenhouse gas emissions by 16.47% per pair and energy usage by 14.58% per pair when comparing to baseline line year (FY19)	On Track	2030
Teva footwear to reduce greenhouse gas emissions by 35% per pair and Energy usage by 30% per pair by 2030	<ul> <li>Baseline year, study completed</li> </ul>	<ul> <li>Teva reduced greenhouse gas emissions by 13.15% per pair and energy usage by 13.41% per pair when comparing to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from</li> </ul>	<ul> <li>Teva reduced greenhouse gas emissions by 21.36% per pair and energy usage by 21.39% per pair when comparing to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from</li> </ul>	• Teva reduced greenhouse gas emissions by 27.03% per pair and energy usage by 25.13% per pair when comparing to baseline line year <i>(FY19)</i>	On Track	2030
Sanuk footwear to reduce greenhouse gas emissions by 40% per pair and Energy usage by 40% per pair by 2030	<ul> <li>Baseline year, study completed</li> </ul>	<ul> <li>Prior reporting"</li> <li>Sanuk increased greenhouse gas emissions by 7.68% per pair and energy usage by 6.84% per pair when comparing to baseline line year (FY19)</li> <li>*Note, above numbers are corrected from prior reporting</li> </ul>	<ul> <li>prior reporting"</li> <li>Sanuk reduced greenhouse gas emissions by 15.34% per pair and energy usage by 12.00% per pair when comparing to baseline line year (FY19)</li> </ul>	<ul> <li>Sanuk reduced greenhouse gas emissions by 29.36% per pair and energy usage by 26.70% per pair when comparing to baseline line year (FY19)</li> </ul>	On Track	2030

#### SUSTAINABLE DEVELOPMENT GOALS: CLIMATE AND CLEAN ENERGY (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
Koolaburra footwear to reduce greenhouse gas emissions by 35% per pair and Energy usage by 35% per pair by 2030	<ul> <li>Baseline year, study completed</li> </ul>	<ul> <li>Koolaburra reduced greenhouse gas emissions by 20.91% per pair and energy usage by 22.98% per pair when comparing to baseline line year (FY19)</li> </ul>	<ul> <li>Koolaburra reduced greenhouse gas emissions by 25.78% per pair and energy usage by 25.03% per pair when comparing to baseline line year (FY19)</li> </ul>	<ul> <li>Koolaburra reduced greenhouse gas emissions by 17.40% per pair and energy usage by 18.07% per pair when comparing to baseline line year (FY19)</li> </ul>	On Track	2030
		*Note, above numbers are corrected from prior reporting"	*Note, above numbers are corrected from prior reporting			
Reduce or maintain (+/- 2%) footwear packaging greenhouse gas emissions	<ul> <li>Baseline year, study completed</li> </ul>	<ul> <li>Completed Footwear Packaging Greenhouse Gas Emissions Study</li> </ul>	Completed Footwear Packaging     Greenhouse Gas Emissions Study	Completed Footwear Packaging     Greenhouse Gas Emissions Study	On Track	2021
		Below shows FY19 v. FY20 GHG emissions per pair change:	Below shows FY19 v. FY21 GHG emissions per pair change:	Below shows FY19 v. FY22 GHG emissions per pair change:		
		UGG: -16.17%	UGG: -31.61%	UGG: -35.13%		
		HOKA: +1.49%	HOKA: -0.35%	HOKA: +1.23%		
		Teva: -26.38%	Teva: -28.49%	Teva: -29.45%		
		Sanuk:-44.50%	Sanuk:-38.52%	Sanuk:-39.05%		
		Koolaburra: Did Not Record	Koolaburra: Baseline Year Recorded	Koolaburra: +14.32% (Missed)		
Reduce or maintain (+/- 2%) footwear packaging energy usage	<ul> <li>Baseline year, study completed</li> </ul>	<ul> <li>Completed Footwear Packaging Energy Usage Study</li> </ul>	<ul> <li>Completed Footwear Packaging Energy Usage Study</li> </ul>	<ul> <li>Completed Footwear Packaging Energy Usage Study</li> </ul>	On Track	2021
		Below shows FY19 v. FY20 Energy usage	Below shows FY19 v. FY21 Energy usage	Below shows FY19 v. FY21 Energy usage		
		per pair change:	per pair change:	per pair change:		
		UGG: -23.18%	UGG: -36.97%	UGG: -39.83%		
		HOKA: +1.97%	HOKA: -0.02%	HOKA: +1.71%		
		Teva: -26.45%	Teva: -27.79%	Teva: -28.82%		
		Sanuk:-50.70%	Sanuk:-45.24%	Sanuk:-46.40%		
		Koolaburra: Did Not Record"	Koolaburra: Baseline Year Recorded"	Koolaburra: +11.54% (Missed)		
Invest in Regenerative Farming	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Target first conceptualized in FY21</li> </ul>	<ul> <li>Invested in the regeneration of 200,000 acres of land in 2021, with a goal of 1,000,000 acres within five years</li> </ul>	<ul> <li>Helped convert over 200,000 acres of land with a goal of 1 million acres by 2025</li> </ul>	On Track	2026



#### CHEMISTRY AND CONSUMER SAFETY

REDUCE OR ELIMINATE HAZARDOUS CHEMICALS THROUGHOUT OUR OPERATIONS (This target advances the

United Nations Global Compact SDG numbers 3 and 6)



#### SUSTAINABLE DEVELOPMENT GOALS: CHEMISTRY AND CONSUMER SAFETY

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
Reduce volatile organic compounds ( <i>VOCs</i> ) to 20g/pair or less	<ul> <li>VOCs reduced to under 20g/ pair at the assembly level</li> </ul>	<ul> <li>Continued reduction in VOCs</li> <li>All brands were under 18g/pair at the assembly level</li> </ul>	<ul> <li>Continued reduction in VOCs</li> <li>All brands were under 14 g/pair at the assembly level</li> </ul>	<ul> <li>"Continued reduction in VOCs</li> <li>All brands are at 11.9 g/pair or under at the assembly level"</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2020
Eliminate PFC from our supply chain ( <i>Tier 1 and Tier 2</i> )	<ul> <li>On track to eliminate PFCs from our supply chain (<i>Tier 1 and Tier 2</i>) by 2020</li> </ul>	<ul> <li>PFC free supply chain achieved (<i>Tier 1 and Tier 2</i>)</li> </ul>	<ul> <li>Eliminated PFC from our supply chain (<i>Tier 1</i> and <i>Tier 2</i>)</li> </ul>	<ul> <li>Eliminated PFC from our supply chain (<i>Tier 1</i> and <i>Tier 2</i>)</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021
Eliminate PVC from our supply chain	<ul> <li>Target set</li> </ul>	<ul> <li>Working towards elimination</li> </ul>	<ul> <li>Eliminated PVC from our supply chain</li> </ul>	<ul> <li>Eliminated PVC from our supply chain</li> </ul>	On Track	2027
Join Zero Discharge of Hazardous Chemicals (ZDHC)	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	Open item - considering by 2023	On Track	2023
Cleaner chemistries to be adopted	<ul> <li>Eliminated PFOA and PFOS, restricted phthalates, dimethyl fumarate, regulated nitrosamines</li> </ul>	<ul> <li>Deckers materials free of banned and/or restricted Azo dyes Blue 106 replaced with an environmentally friendly dye that share the same color properties</li> </ul>	<ul> <li>Cleaner chemistries adopted for 8 chemistries</li> </ul>	<ul> <li>Cleaner chemistries adopted for 9 chemistries</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2025
Continued reduction, or maintaining, of our Restricted Substances Failure Rate	<ul> <li>RS Report Failure Rate 1.65%</li> </ul>	<ul> <li>RS Report Failure Rate 0.80%</li> </ul>	<ul> <li>Continued reduction or maintenance of our restricted substance failure rate</li> </ul>	<ul> <li>RS Report Failure Rate 0.73%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Continued reduction, or maintaining, of our CPSIA Failure Rate	<ul> <li>CPSIA Report Failure Rate 0.63%</li> </ul>	<ul> <li>CPSIA Report Failure Rate 0%</li> </ul>	<ul> <li>Continued reduction, or maintaining, of our CPSIA failure rate</li> </ul>	<ul> <li>CPSIA Report Failure Rate 0%</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2030
Invest at least 300 hours annually in restricted substance training and education empowering partners with necessary tools for success	<ul> <li>369 hours of target restricted substances training given</li> </ul>	<ul> <li>265 hours of target restricted substances training given</li> </ul>	<ul> <li>452 hours of target restricted substances training given</li> </ul>	<ul> <li>413 hours of restricted substances training given</li> </ul>	On Track	2030



#### HUMAN RIGHTS

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

(This target advances the United Nations Global Compact SDG numbers 3, 4, 5 and 10)



#### SUSTAINABLE DEVELOPMENT GOALS: HUMAN RIGHTS

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	FISCAL YEAR DUE
<ul> <li>Increase employee volunteer efforts by 20% by 2023 and 50% by 2027</li> </ul>	<ul> <li>Employees volunteered 3,106 hours</li> </ul>	<ul> <li>Employees volunteered 1,904 hours</li> <li>Implemented new employee volunteer hours tracking system</li> <li>Appointed Director for "Deckers Gives" initiative</li> <li>Baseline year (FY20) for target reporting purposes</li> </ul>	<ul> <li>Held our first ever 'Art of Kindness' event, a week where employees come together, putting work aside, to volunteer in our local communities</li> <li>Employees volunteered 5,073 hours</li> </ul>	<ul> <li>Held multiple 'Art of Kindness' events, a week where employees volunteer in our local communities</li> <li>Employees volunteered over 14,000 hours, a 180% increase when compared to FY21</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2023 / 2027
Donate at least \$1,000,000 annually to organizations supporting historically underserved youth, community, diversity, equity and inclusion, education, environment, and family and children	<ul> <li>Donated over \$1.3 million to various organizations supporting our communities</li> </ul>	<ul> <li>Donated over \$1.8 million to various organizations supporting historically underserved youth, community, diversity, equity and inclusion, education, environment, and family and children</li> </ul>	<ul> <li>Donated \$2.13 million to various not-for-profit organizations in the global communities in which we operate</li> <li>Giving areas focused on historically underserved youth, community, diversity, equity and inclusion, education, environment, and family and children</li> </ul>	<ul> <li>Donated \$3.41 million to various not-for-profit organizations in the global communities in which we operate</li> <li>Giving areas focused on Uplifting Youth, Community, DEI, Education, and Environment"</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2027
Ensure that every Deckers employee has the opportunity to contribute to our local communities	<ul> <li>All employees encouraged to volunteer and we provide up to 24 hours of paid volunteer time to incentivize participation</li> </ul>	<ul> <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>	<ul> <li>Target achieved and maintained</li> </ul>	<ul> <li>Target achieved and maintained</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021
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> <li>Ensured 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> <li>100% of our Tier 1 partners are audited on an annual basis</li> <li>We engaged the majority of our Tier 2 suppliers (those representing 55% of our total materials spend) in audits, training and environmental projects</li> <li>Anonymous hotline provided to supply chain partners for reporting purposes</li> </ul>	<ul> <li>100% of our Tier 1 partners are audited on an annual basis</li> <li>We engaged the majority of our Tier 2 suppliers (those representing 55% of our total materials spend) in audits, training and environmental projects</li> <li>92.3% of those monitored received champion or excellent ratings</li> <li>Anonymous hotline provided to supply chain partners for reporting purposes</li> <li>Anti-harassment training provided to supply chain partners</li> </ul>	<ul> <li>100% of our Tier 1 partners are audited on an annual basis</li> <li>85.72% of those monitored received champion or excellent ratings</li> <li>We engaged the majority of our Tier 2 suppliers (those representing 80% of our total materials spend) in audits, training and environmental projects</li> <li>Anonymous hotline provided to supply chain partners for reporting purposes</li> <li>Anti-harassment training provided to supply chain partners</li> </ul>	On Track	2027

#### SUSTAINABLE DEVELOPMENT GOALS: HUMAN RIGHTS (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Ensure our T1 Lost Time Injury Rate is 0.26 and our Total Recordable Incident rate is 0.40	<ul> <li>FY19 Lost Time Injury Rate was 0.33 and Total Recordable Incident Rate was 0.33</li> </ul>	<ul> <li>FY20 Lost Time Injury Rate was 0.28 and Total Recordable Incident Rate was 0.40</li> </ul>	<ul> <li>FY21 Lost Time Injury Rate was 0.24 and Total Recordable Incident Rate was 0.32</li> </ul>	<ul> <li>FY22 Lost Time Injury Rate was 0.12 and Total Recordable Incident Rate was 0.16</li> </ul>	Target Achieved - FY23 and beyond target is to maintain or continue to lower these rates	2021
Ensure our T2 Bottom Suppliers Lost Time Injury Rate is 0.26 and our Total Recordable Incident rate is 0.40	<ul> <li>FY19 Lost Time Injury Rate was 0.32 and Total Recordable Incident Rate was 0.7</li> </ul>	<ul> <li>FY20 Lost Time Injury Rate was 0.38 and Total Recordable Incident Rate was 0.43</li> </ul>	<ul> <li>FY21 Lost Time Injury Rate was 0.15 and Total Recordable Incident Rate was 0.19</li> </ul>	<ul> <li>FY22 Lost Time Injury Rate was 0.37 and Total Recordable Incident Rate was 0.37</li> </ul>	In progress - Target achievable	2021
Ensure our T1 Tanneries Lost Time Injury Rate is 0.26 and our Total Recordable Incident rate is 0.40	<ul> <li>FY19 Lost Time Injury Rate was 0.78 and Total Recordable Incident Rate was 0.86</li> </ul>	<ul> <li>FY20 Lost Time Injury Rate was 0.99 and Total Recordable Incident Rate was 1.23</li> </ul>	<ul> <li>FY21 Lost Time Injury Rate was 0.71 and Total Recordable Incident Rate was 0.68</li> </ul>	<ul> <li>FY22 Lost Time Injury Rate was 0.37 and Total Recordable Incident Rate was 0.37</li> </ul>	In progress - Target achievable	2025
Living Wage Assessment	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Open item - considering by 2025</li> </ul>	In progress - Target achievable	2025
Join Fashion Transparency Pledge	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target achieved and maintained</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2023
Publish list 100% of Tier 1 and Tier 2 partners for added transparency	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target achieved and maintained</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2023
Host annual anti-harassment Training for factory workers	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Target first conceptualized FY21</li> </ul>	<ul> <li>Partnered with Better Work Vietnam to provide anti-harassment training to key T1 factory partners</li> </ul>	<ul> <li>Partnered with Better Work, BSR and Timeline to provide anti-harassment training to key T1 factory partners</li> </ul>	On Track	2030
			<ul> <li>Total of 10,281 workers received such training in Vietnam and the Philippines</li> </ul>	<ul> <li>Total of 23,472 workers received such training in Vietnam and the Philippines</li> </ul>		
## **CREATING CHANGE**



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

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

(This target advances the United Nations Global Compact SDG numbers 4, 5 and 10)



#### SUSTAINABLE DEVELOPMENT GOALS: GENDER EQUALITY, QUALITY EDUCATION, AND REDUCED INEQUALITIES

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Gender parity in leadership positions and our Board of Directors	<ul> <li>Executive Leadership Team: 25% women, 75% men</li> <li>Board of Directors: 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> <li>Executive Leadership Team: 25% women, 75% men</li> <li>Board of Directors: 33% female, 66% male</li> <li>Leaders (those who manage one or more persons): 51.8% women, 48.2% men</li> <li>Directors and above: 43.5% female and 56.5% male</li> </ul>	<ul> <li>Executive Leadership Team: 33.3% women, 66.6% men</li> <li>Board of Directors: 40% female, 60% male, 60% from underrepresented communities</li> <li>Leaders (those who manage one or more persons): 43.5% male, 56.1% female, 0.4% undeclared</li> <li>Director level and above: 54.7% male, 43.6% female, 1.7% not declared</li> </ul>	<ul> <li>Executive Leadership Team (As of FY22): 25% women, 75% men, 50% are from underrepresented communities</li> <li>Executive Leadership Team (As of October 2022): 37.5% women, 62.5% men, 62.5% are from underrepresented communities</li> <li>Board of Directors: 40% female, 60% male, 60% from underrepresented communities</li> <li>Leaders (those who manage one or more persons): 44.1% male, 55.5% female, 0.1% not disclosed, 0.1% transgender, 0.1% non-binary and 0.1% unknown</li> <li>Director level and above: 54.7% male, 44.8% female, 0.5% unknown</li> </ul>	On Track	2030
25% representation of BIPOC in the U.S. at Director and above levels	<ul> <li>Target first conceptualized FY20</li> </ul>	<ul> <li>Target adopted and baseline established (11.7%)</li> </ul>	<ul> <li>As of September 2021, 16% of Director level and above are BIPOC - a 4% increase when compared to FY20</li> <li>43% of all U.S. corporate new hires in the US were BIPOC</li> </ul>	<ul> <li>As of March 31, 2022, 21% of Director level and above employees in the US are from BIPOC communities - a 9% increase when compared to when we first established the target in FY20</li> <li>45.5% of all U.S. corporate new hires and Broomfield call center US were BIPOC</li> </ul>	On Track	2027
100% of Executive Leadership Team has inclusion and diversity related goals	<ul> <li>Target first conceptualized FY20</li> </ul>	<ul> <li>Target adopted</li> </ul>	<ul> <li>All executive leadership team were required to have diversity and inclusion related goals</li> </ul>	<ul> <li>All executive leadership team were required to have diversity and inclusion related goals</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021
100% of Director level and above hires interviewed by a panel that includes underrepresented groups (gender, BIPOC)	<ul> <li>Target first conceptualized FY20</li> </ul>	<ul> <li>Target adopted</li> </ul>	<ul> <li>All Director level and above positions were interviewed by a panel that includes underrepresented groups (gender and BIPOC)</li> <li>Implemented a software platform that optimizes job descriptions to help ensure a more diverse applicant pool, as well as redacting certain resume information that may lead to unconscious bias</li> </ul>	<ul> <li>All Director level and above positions were interviewed by a panel that includes underrepresented groups (gender and BIPOC)</li> <li>Continued to utilize a software platform that optimizes job descriptions to help ensure a more diverse applicant pool, as well as redacting certain resume information that may lead to unconscious bias</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2021

### SUSTAINABLE DEVELOPMENT GOALS: QUALITY EDUCATION GENDER EQUALITY, AND REDUCED INEQUALITIES (CONTINUED)

TARGETS	FISCAL YEAR 2019 RESULTS	FISCAL YEAR 2020 RESULTS	FISCAL YEAR 2021 RESULTS	FISCAL YEAR 2022 RESULTS	DESCRIPTION OF PROGRESS	DUE
Ensure an inclusive and diverse workplace and promote diverse communities	<ul> <li>Target first conceptualized FY20</li> </ul>	• Target adopted	<ul> <li>Brands have committed to representing 60% BIPOC, LGBTQIA+, and diversity of body types and abilities in their marketing campaigns</li> </ul>	<ul> <li>Brands continue to be committed to representing 60% BIPOC, LGBTQIA+, and diversity of body types and abilities in their marketing campaigns</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2022
			<ul> <li>Joined the Valuable 500, a business-to- business initiative comprised of companies committed to disability inclusion and the Civic Alliance which is a nonpartisan business coalition that champions democracy and civic</li> </ul>	<ul> <li>Valuable 500 member, a business-to-business initiative comprised of companies committed to disability inclusion and the Civic Alliance which is a nonpartisan business coalition that champions democracy and civic participation</li> </ul>		
			<ul> <li>participation</li> <li>Multiple Employee Resource Groups formed around common interests, background or characteristics including gender, race, ethnicity and numerous other affinities</li> </ul>	<ul> <li>Multiple Employee Resource Groups formed around common interests, background or characteristics including gender, race, ethnicity and numerous other affinities</li> <li>Mandatory anti-racism and implicit bias</li> </ul>		
			<ul> <li>Mandatory anti-racism and implicit bias training deployed as well as a suite of additional learning and development resources</li> </ul>	training deployed as well as a suite of additional learning and development resources		
			<ul> <li>Launched Coffee &amp; Conversations, which are monthly small-group facilitated discussions on DEI-related topics</li> <li>Piloted a global mentorship program with the goal of helping provide our existing talent with opportunities for networking and engagement</li> <li>Partnering with HBCUs and both local and national professional organizations in order to expand the pool from which we source talent</li> </ul>	<ul> <li>Coffee &amp; Conversations continue to be held, which are monthly small-group facilitated discussions on DEI-related topics</li> </ul>		
				<ul> <li>Launched internal initiatives aimed at more openly discussing Mental Health and Mental Wellness in the workplace</li> </ul>		
				<ul> <li>Global mentorship program launched with the goal of helping provide our existing talent with opportunities for networking and engagement</li> </ul>		
				<ul> <li>Partnering with HBCUs and both local and national professional organizations in order to expand the pool from which we source talent</li> </ul>		
				<ul> <li>Worked closely with our brand teams to ensure DEI is incorporated into all aspects of product development lifecycle</li> </ul>		
				<ul> <li>93.1% of employees responding to our Pulse survey said members of their team are respectful and welcoming of employees from different backgrounds and identities</li> </ul>		
UGG: Expand HERproject partnership to 2 activations per year	<ul> <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> <li>Additional 7 supply chain partners received HERproject training for a total of 20 partners trained (14 Tier 1footwear factories, 2 Tier 1 lifestyle factories, and 4 Tier 2 suppliers)</li> </ul>	<ul> <li>Enrolled an additional 6 partners in HERproject (four Tier 2 suppliers and two Tier 1 factories)</li> </ul>	<ul> <li>Enrolled an additional 8 partners in HERproject (three Tier 2 suppliers and five Tier 1 factories)</li> </ul>	Target Achieved - FY23 and beyond target is to maintain	2027
Empower 100,000 women	<ul> <li>26,186 women empowered through HERproject partnership since inception of partnership</li> </ul>	<ul> <li>33,019 women empowered through HERproject since inception of partnership</li> </ul>	<ul> <li>Enrolled an additional 6 partners in HERproject (four Tier 2 suppliers and two Tier 1 factories)</li> </ul>	<ul> <li>Enrolled an additional 8 partners in HERproject (three Tier 2 suppliers and five Tier 1 factories)</li> </ul>	On Track	2027
	<ul> <li>Held Women's Leadership Summit at corporate headquarters</li> </ul>	<ul> <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>	<ul> <li>The number of women empowered since inception of partnership is 33,220 (a total of 44,403 including male attendees)</li> </ul>	<ul> <li>The number of women empowered since inception of partnership is 45,617 (a total of over 61,000 including male attendees)</li> </ul>		
			<ul> <li>Annual Women's Leadership Summit (virtual) event held</li> </ul>	<ul> <li>Annual Women's Leadership Summit event held</li> </ul>		



### PROGRAM **GOVERNANCE**

Deckers' Chief Administrative Officer is responsible for the day-to-day management of our Corporate Responsibility and Sustainability Program. Deckers' Board of Directors has ultimate oversight over all sustainability initiatives and the strategy and program, including economic, social and environmental risks. The Board approves long-term sustainability strategy and receives updates at least annually. The Corporate Responsibility, Sustainability & Governance Committee ("Governance Committee") of the Board receives quarterly updates on sustainability strategy and our broader ESG program. In addition, the Audit & Risk Management Committee ("Audit Committee") of the Board periodically reviews risk management, including climate-related risk and policies to ensure consistent corporate strategy. The Board considers whether the ESG programs adequately identify material risks in a timely fashion, implement appropriate responsive risk management strategies, and adequately transmit necessary information with respect to material risks within the organization.

Day-to-day progress is driven by multiple management committees that meet regularly:

Risk & Compliance Advisory Committee: This committee includes all members of our Executive Leadership Team. The committee evaluates organizational risks and discusses opportunities for compliance and risk mitigation.

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

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 Gives Committees: We have two regional committees, one in APAC and one in EMEA. These committees help to drive facilities-related sustainability efforts within their respective regions and initiate regional volunteer and giving efforts.

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

Brand Sustainability Leads: Each of our brands have team members who are dedicated to sustainability who work closely with our Sr. Director Sustainability and Compliance to align brand efforts with our larger ESG corporate strategy.

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

\*Reports to Governance Committee as it relates to governance/sustainability and Audit

RISK & COMPLIANCE ADVISORY COMMITTEE AND SUSTAINABILITY ADVISORY COMMITTEE





BROOKE BESHAI Sr. Director of Sustainability and

Deckers Gives



BRAND SUSTAINABILITY LEADS

#### BOARD OF DIRECTORS

#### CORPORATE GOVERNANCE & AUDIT COMMITTEES\*

#### CORPORATE CITIZENSHIP COUNCIL







Officer

DECKERS GIVES

REGIONAL COMMITTEES

**DEI LEAD TEAM** (LEAD EMPOWER **ADVOCATE DISCUSS**)

### STAKEHOLDER ENGAGEMENT

We highly value stakeholder input and have consistently demonstrated our commitment to maintaining open and interactive dialogue on ESG matters with our stakeholders, including non-governmental organizations, employees, suppliers, industry groups, communities and governments, to ensure their views are actively considered in executing our ESG program. Our stakeholder outreach program is led by a crossfunctional team that includes members of our investor relations, compliance, sustainability, diversity, equity, and inclusion (*DEI*), and legal teams. Additionally, we actively engage with our employees to obtain valuable feedback and track progress and hold us accountable to our five key values.

We worked with Business for Social Responsibility (BSR) on a stakeholder outreach project in which we solicited input and gathered information from stakeholders to better understand the topics and themes that are most important to those stakeholders.

On our social initiatives, we work closely with Better Work, Social & Labor Convergence and Business for Social Responsibility. We align with the Transparency Pledge to create more meaningful corporate accountability. The Transparency Pledge helps demonstrate apparel and footwear companies' commitment towards greater transparency in their manufacturing supply chain. We have a long-standing partnership with HERproject, a collaborative initiative that strives to empower lowincome women working in global supply chains. We also collaborated with the Humane Society on the adoption, and subsequent revision, of our Ethical Sourcing and Animal Welfare Policy. Finally, we are working with Sourcemap, a leader in supply chain mapping, for added transparency into our supply chain.

On our environmental sustainability initiatives, we work closely with the Savory Institute, Carbon Trust, Trayak's Compass (our LCA tool), and the Leather Working Group. We also worked with Canopy on our Paper and Forest Procurement Policy.

We believe our active engagement with all these groups serves as a materiality assessment and we look forward to continuing to expand our stakeholder groups in FY23 and beyond.

### COMPANY VALUES

At Deckers, we strive to positively impact the world by uniting purposeful brands with diverse people driven to succeed and create change. Our five key values (commit to create, come as you are, own it, better together, and do good and do great) help ensure we hold ourselves accountable to deliver on our goals.

These values define who we are and serve as the driving force behind how we work together and with our customers, our consumers, our partners, our suppliers, and our communities.

We also have detailed ethics and compliance policies that instill a commitment to ethical behavior and legal compliance across our entire organization. Our culture and open door policy encourages employees to approach their managers if they believe there have been violations of our standards or policies. Employees are also able to submit confidential and anonymous reports 24-7 online or by phone using a hotline that is hosted by an independent third-party provider.







### INTEGRITY FIRST

#### MANDATORY 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 the Audit Committee as appropriate.
- Gifts and Entertainment
- Anti-Corruption Policy
- Harassment & Discrimination Policy
- Information Security
- Regulation Fair Disclosure
- Insider Trading
- HIPAA
- Payment Card Industry standards (PCI)
- Diversity, Equity and Inclusion Courses (including Belonging at Deckers, Unconscious Bias, and Allyship)
- Environmental, Social, and Governance

In addition to these mandatory trainings, we also offer a wide array of optional courses—from technology to management to additional DEI learning.

#### POLICIES

We value the culture we have created and want to ensure Deckers continues to be an amazing place to work. We have created policies to help empower our employees to act with integrity even when faced with challenging situations. We also have multiple policies to help guide our employees, and our supply chain partners, to operate our business in the most socially conscious and environmentally friendly way possible. 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 and discrimination)
- Ethics Hotline Policy
- Anti-Corruption Policy
- Ethical Supply Chain Supplier Code of Conduct
- Environmental Policy
- Water Policy
- Ethical Sourcing and Animal Welfare Policy
- Conflict Minerals Policy
- Restricted Substances Policy
- Paper and Forest Procurement Policy
- Deckers Gives Charitable Donations Policy

#### **HOTLINE METRICS**

We offer a 24-7 anonymous hotline to all Deckers employees globally and 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 hotline report we receive.

Monitoring hotline calls allows us to identify trends, and allocate additional training or resources where needed. Approximately 70% of the calls we receive each year are retail-related and initiated by one of our retail store team members. Receiving calls is an indicator that our program is working and we believe this is comparable to other peers in the retail industry.

Because we believe in transparency, we are publishing below the number of hotline calls received in FY17-FY22. Additionally we summarized the tier and types of incident issues received from FY22.

#### FY17-FY22 HOTLINE CALLS



\*On average employees receive approximately 5 hours of compliance and ethics trainings which includes training on Human Rights policies and procedures (at least) biennially.



FY22 HOTLINE CALLS BY ISSUE TYPE\*

\*The chart above reflects raw data including unsubstantiated reports





44 NORTH AMERICA RETAIL
 7 NORTH AMERICA CORPORATE
 6 DECKERS OUTDOOR CORPORATION
 2 APAC CORPORATE
 1 APAC RETAIL
 1 EMEA RETAIL

# GENDER EQUALITY, REDUCED INEQUALITIES, & QUALITY EDUCATION





## **OUR APPROACH**

## PEOPLE



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

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

At Deckers, we believe that an equitable, inclusive, and diverse culture drives creativity and success. Our efforts and initiatives will help to foster a more inclusive workplace which we hope will ultimately help contribute to a more inclusive society. We each come from different backgrounds and all have professional skills and perspectives that have uniquely shaped us. We believe those differences, when encouraged and celebrated, can help create big ideas. We value our different perspectives and strive to create a work environment where employees can come as they are and are free to bring their authentic selves to work every day.

We prioritize DEI at Deckers and believe that the inclusion of historically underrepresented perspectives leads to more diversity of thought which in turn leads to better outcomes and policies. Additionally, we believe that a diverse pool of employees brings a unique set of experiences, opinions, and thoughts on critical issues that help enhance better business.

We have policies and practices aimed at increasing the diversity of our workforce, as well as a robust collection of programs intended to support initiatives to create a more inclusive workplace. We have implemented a comprehensive, global strategy for DEI, launched numerous employee resource groups, deployed mandatory anti-racism and implicit bias training, and offer a suite of additional learning and development resources.

We look forward to continuing to engage our employees in our efforts to create a more equitable, inclusive and diverse organization.

#### **GLOBAL WORKFORCE**

Deckers has a total of 3,819 global employees, 1,361 Part of living our values and investing in our employees of which are retail employees. Of our 3,819 global means that we are consistently evaluating fair wages. employees, 2,409 of those employees (63.08%) identify We were proud to be one of the first organizations, in as female, 1,387 (36.32%) identify as male, 13 employees 2020, to announce an increase in the minimum wage (0.34%) identify as non-binary/gendergueer, 7 in all retail stores across the United States to \$15 per employees (0.18%) are undeclared, 2 employees (0.05%) hour. We also continually assess our total compensation identifies as genderfluid, and 1 employee (0.03%) and benefits packages against marketplace and peer identifies as transgender. benchmarking, taking into consideration local market dynamics, to ensure we are living up to our core values.



#### FAIR WAGES

## **PEOPLE** (CONTINUED)

#### **EXECUTIVE LEADERSHIP TEAM**

As of the end of FY22, Deckers Executive Leadership Team (ELT) was made up of eight members, two identifying as female (25%) and six identifying as male (75%). Of the eight members of the ELT, four (50.0%) were from underrepresented groups, which includes ethnicities, gender and sexual orientation.

As of October 2022, Deckers ELT is made up of eight members, three identifying as female (37.5%) and five identifying as male (62.5%). Of the eight members as of October 2022, three (37.5%) from underrepresented groups including ethnicity and sexual orientation

ELT GENDER BREAKDOWN



### ELT UNDERREPRESENTED GROUPS



• 3 (37.5%) NOT FROM UNDER REPRESENTED GROUPS

### EXECUTIVE LEADERSHIP TEAM AGE DEMOGRAPHICS, OCTOBER 2022

EXECUTIVE OFFICER	AGE
DAVE POWERS	56
STEVEN J. FASCHING	54
ANGELA OGBECHIE	44
THOMAS GARCIA	49
STEFANO CAROTI	59
ANNE SPANGENBERG	55
PASCALE MEYRAN	62
BRAD WILLIS	57

\*Prior to October 2022 we had a number of transitions, including the following: (1) David Lafitte, Former COO (transitioned effective June 2022), Andrea O'Donnell, Former President of FLG (transitioned effective October 2021), Wendy Yang, Former President PLG (transitioned effective May 2022)

#### POSITION

Chief Executive Officer, President and Director

Chief Financial Officer

Chief Supply Chain Officer (Appointed in June 2022)

Chief Administrative Officer

President of Omni-Channel

President, Fashion Lifestyle

Chief People Officer

Chief Technology Officer

### **PEOPLE** (CONTINUED)

#### **BOARD OF DIRECTORS**

Our Board of Directors is comprised of ten individuals, each of whom brings a wide range of skills and represents different backgrounds, ethnicities, genders, sexual orientations and qualifications. Four board members identify as female (40.0%) and six identify as male (60.0%). Further, six of ten (60%) board members are from underrepresented groups, which includes ethnicity and sexual orientation.

#### **BOARD OF DIRECTORS GENDER BREAKDOWN**



● 6 (60.0%) MEN ● 4 (40.0%) WOMEN

#### BOARD OF DIRECTORS UNDERREPRESENTED GROUPS



60.0% UNDERREPRESENTED GROUPS
 40.0% NOT FROM UNDER REPRESENTED GROUPS

### RETAIL • PREMIUM BRANDING • TECHNOLOGY INFRASTRUCTURE • AND CYBER SECURITY INDUSTRY • SUPPLY CHAIN MANAGEMENT •

SALES AND MARKETING

#### **FY22 GOVERNANCE PROFILE**

AVERAGE DIRECTOR TENURE: 5.38 YEARS

**AVERAGE DIRECTOR AGE:** 60 YEARS

PROXY STATEMENT: FY22 Proxy Statement

### **DIRECTOR MEETING ATTENDANCE:** Each of our Directors attended at least 75% of Board Meetings and Meetings of the Board

Committees on which they served PERCENTAGE OF CEO'S AT RISK

TARGETED TOTAL COMPENSATION: 89%

**Corporate Governance Guidelines** 

MEDIAN ANNUAL COMPENSATION: \$43,501 - for further details, please see our FY22 Proxy Statement

**CEO COMPENSATION:** \$10,854,934

**CEO PAY RATIO:** 250:1 FY22 Proxy Statement

#### DIRECTOR QUALIFICATIONS AND SKILLS



#### BOARD\*

#### **FEMALE:** 4 **MALE:** 6

#### ACTIVE BOARD MEMBERS:

- Michael F. Devine III Chairman
- David A. Burwick
- Nelson C. Chan
- Cynthia (Cindy) L. Davis
- Juan R. Figuereo
- Maha S. Ibrahim
- Victor Luis
- Dave Powers
- Lauri M. Shanahan
- Bonita C. Stewart

## **PEOPLE** (CONTINUED)

#### **DIVERSITY, EQUITY, AND INCLUSION**

#### ETHNICITY DATA

We report ethnicity metrics for employees in our U.S. locations (which includes corporate headquarters, our Flagstaff office, our Moreno Valley distribution center, and our U.S. retail store locations). We are pleased that our employees represent many diverse ethnic backgrounds.



36.7% WHITE • 34.6% HISPANIC OR LATINO • 13.9% BLACK OR AFRICAN AMERICAN • **7.1%** ASIAN • 3.6% UNDECLARED • 2.1% TWO OR MORE RACES • 0.8% AMERICAN INDIAN OR ALASKA NATIVE • 0.6% NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER • 0.6% MIDDLE EASTERN

#### ETHNICITY BREAKDOWN (U.S. ONLY)

ETHNICITY BREAKDOWN (U.S. EMPLOYEES)	FY21 COUNT	FY22 COUNT
WHITE	32.0	36.7%
HISPANIC OR LATINO	31.1%	34.6%
BLACK OR AFRICAN AMERICAN	21.3%	13.9%
ASIAN	5.4%	7.1%
UNDECLARED	3.1%	3.6%
TWO OR MORE RACES	3.1%	2.1%
AMERICAN INDIAN OR ALASKA NATIVE	1.3%	0.8%
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	0.7%	0.6%
MIDDLE EASTERN	0.5%	0.6%

#### **GENDER BREAKDOWN**

#### LEADER GENDER BREAKDOWN

Globally, Deckers has 749 leaders. We define leaders as those who manage one or more persons. Of those leaders, 416 (55.5%) identify as female, 330 (44.1%) identify as male, 1 (0.1%) identifies as transgender, 1 (0.1%) identifies as genderqueer/non-binary, and 1 (0.1%) is not declared.

FY22 LEADER GENDER BREAKDOWN



• 0.1% TRANSGENDER 0.1% GENDERQUEER / NON-BINARY
 0.1% NOT DECLARED

#### DIRECTOR LEVEL AND ABOVE GENDER BREAKDOWN

Globally, Deckers has 186 employees at Director level or above. Of those, 84 (45.2%) identify as female, and 102 (54.8%) identify as male.

FY22 DIRECTOR AND ABOVE GENDER BREAKDOWN



### **PEOPLE** (CONTINUED)

#### DIVERSITY, EQUITY, AND INCLUSION (CONTINUED)

#### **DIVERSITY EFFORTS**

Deckers is a workplace where every employee can come as they are and where each person, regardless of background, is respected, valued, welcomed and heard. This requires a firm and lasting commitment to embed diversity, equity and inclusion into the very fabric of our company. Deckers seeks a diverse representation of backgrounds across the business and we have been actively working to create lasting, sustainable and meaningful change throughout our entire organization. This commitment runs from the top down in the organization and from the bottom up.

The DEI team continues to partner with the People Success team to identify critical decision points that affect representation levels within the talent pipeline, and continuing to embed DEI into all aspects of the talent lifecycle to help increase diversity at all levels of the organization. We are pleased to report that these efforts continue to yield success in the form of a more diverse workforce.

We have implemented a software platform that optimizes job descriptions to help ensure a more diverse applicant pool, and we redact certain resume information that may lead to unconscious bias. Employees also have access to a suite of learning resources, including inclusive interview and selection practices.

We are partnering with historically Black colleges and universities (HBCUs) and both local and national professional organizations in order to expand the pool from which we source talent for the organization. We have launched a retail to corporate job rotation pilot program to provide retail employees opportunities to explore career paths to corporate and are hoping to continue to grow and expand the program to other teams and regions across the organization.

#### MENTORSHIP PROGRAM

May 2021, we formally launched a global mentorship program to help provide our existing talent with opportunities to develop personally and professionally and increasing pathways for diverse talent to grow within the organization. The purpose of the program is to foster a greater sense of belonging by connecting employees across the globe to encourage, empower, and inspire each other through the many dimensions of their lives. Through the program, employees have the opportunity to build deeper connections, empower skill and career development, encourage holistic wellbeing and provide guidance and support that fosters personal and professional growth. We are excited to see the mentorship program come to life and are looking forward to its growth in the coming year.

Increasing the diversity of our employees requires action across multiple parts of the organization. We believe that the initiatives we've implemented will help us recruit, hire and promote more diverse employees at Deckers. We believe that with this diversity of backgrounds comes more innovation, more creativity, and a workplace that better reflects the world around us.

#### **INCREASING DIVERSITY**

**Increasing Diversity in Leadership:** In FY20, we announced a target of 25% representation of BIPOC in the US at Director level and above by 2027. We are pleased to report that as of March 31, 2022, 21% of our director-level and above employees in the US are from BIPOC communities. This represents an increase of 6% compared to the prior fiscal year and an overall increase of more than 9% since we first established this target in fiscal year 2020. Although we do not currently have a target around increasing BIPOC at leader level, we are including it below for added visibility and transparency.

**New Hires:** During FY22, 43.6% of all new hires at our US corporate headquarters and call center are from BIPOC communities.

**FY22 NEW HIRES ETHNICITY** (U.S. CORPORATE AND CALL CENTER)



• 56.4% NON-BIPOC • 43.6% BIPOC



FY22 DIRECTOR LEVEL AND ABOVE ETHNICITY (U.S. ONLY)

### **PEOPLE** (CONTINUED)

#### DIVERSITY, EQUITY, AND INCLUSION (CONTINUED)

#### **NEW HIRE ETHNICITY BREAKDOWN**

ETHNICITY BREAKDOWN (U.S. EMPLOYEES)	FY21 COUNT	FY22 COUNT
AMERICAN INDIAN OR ALASKA NATIVE	2.9%	0.8%
ASIAN	8.1%	18.1%
BLACK OR AFRICAN AMERICAN	10.3%	4.1%
UNDECLARED	3.7%	4.5%
HISPANIC OR LATINO	20.6%	16.5%
MIDDLE EASTERN	0.7%	1.6%
NATIVE HAWAIIAN OR OTHER PACIFIC	1.5%	0.4%
TWO OR MORE RACE	2.9%	2.1%
WHITE	49.3%	51.9%

#### **NEW HIRE GENDER BREAKDOWN**

During FY22, 65.0% of all new hires at our U.S. corporate headquarters and call center identify as female, 33.7% identify as male, 0.4% identify as transgender, 0.4% identify as genderqueer/non-binary, and 0.4% identify as genderfluid.





65.0% FEMALE
33.7% MALE
0.4% TRANSGENDER
0.4% GENDERQUEER / NON-BINARY
0.4% GENDERFLUID
0.4% NOT DECLARED

## **PEOPLE** (CONTINUED)

#### DIVERSITY, EQUITY, AND INCLUSION (CONTINUED)

#### **INCLUSION EFFORTS**

Fostering a more inclusive workplace where employees can be their most authentic selves leads to an organization where everyone can thrive. When we embrace our differences and everyone feels empowered to bring their full, authentic selves to work, we unleash the potential of a brilliant mix of people – the more perspectives we share, the better we can be. Deckers has implemented a number of inclusion-related initiatives as part of its overall DEI strategy.

#### MANDATORY TRAINING AND WORKSHOPS

We have mandatory unconscious bias and allyship training for all employees and new hires globally. In addition, we offer a suite of DEI-related trainings available to all employees (outlined below).

- Belonging @ Deckers
- Inclusive Interviewing @ Deckers
- How to be an Antiracist Leader @ Deckers
- Allyship
- Unconscious Bias

Our entire executive leadership team, senior level leaders, and distribution center leadership team have completed inclusive leadership workshops facilitated by an outside consultant, and all of our executive leadership team have diversity and inclusion related goals.

#### **COFFEE AND CONVERSATIONS**

We recognize that we are all at different places on our DEI journey and we want to offer opportunities for employees to engage in our DEI efforts regardless of their starting points. To that end, in the US we have established Coffee & Conversations, which are monthly facilitated small group discussions on DEI-related topics that change each month. These conversations are intended to bring together employees from across the organization to create safe spaces for enriching and authentic conversations and learning. To date, we have had nearly 350 employees participate and have started to expand this framework to our other regions.

#### LEAD, EMPOWER, ADVOCATE, AND DISCUSS ('LEAD') SITE

To ensure we had a dedicated space for employees to find relevant and engaging content, and create a forum in which we could share the numerous DEI initiatives, we created an internal intranet site. This is where employees can connect with employee resource groups (ERGs), and find resources to read, watch, listen and take action. The site is regularly refreshed with curated, relevant content.

#### **DEI PULSE SURVEY**

In FY21, we launched our first ever global DEI Pulse Survey. We had 67% global participation, including our corporate, retail and distribution center employees. The survey results helped us set our baseline for DEI efforts, and the data gained will inform how we prioritize our DEI initiatives efforts going forward because we know that what gets measured gets done. In August 2022, we conducted a global Pulse Survey that included DEIfocused questions. We had 83% global participation in the survey and are using the data from the DEI questions to help prioritize our DEI initiatives going forward. We did have two takeaways that we are incredibly proud of: (1) 90.6% of employees said that they feel their team demonstrates a commitment to creating an inclusive environment, and (2) 93.1% of employees said members of their team are respectful and welcoming of employees from different backgrounds and identities.

#### **REGIONAL EFFORTS**

We have a taskforce in EMEA that has ongoing We believe that being an engaged citizen requires civic discussions relating to issues specific to our Black courage and that when we exercise our right to vote, we employees and is driving actions aligned with corporate exercise our right to advocate for change. To support DEI strategic objectives over the short and long term. our commitment to voting rights, Deckers has joined We also have a DEI manager for the EMEA region to the Civic Alliance, a nonpartisan business coalition assist with implementing initiatives across our regions. that champions democracy and civic participation. Over the coming year, we hope to continue expanding By supporting the Civic Alliance's Joint Statement on our DEI initiatives and programming across our global Protecting Voting Access, Deckers joined more than 170 regions. other companies in affirming that "if our government is going to work for all of us, each of us must have equal We also host a DEI Speaker Series which brings freedom to vote and elections must reflect the will of all in engaging guests to discuss DEI-related topics, voters." We also signed the Make Time to Vote Pledge from disability awareness and inclusion, to cultural committing to ensuring employees have time off to appropriation, to the importance of allyship. These vote. We are proud of our support of equal access to events are broadcast to our global employee audience the ballot box and the importance of exercising our right and are widely attended by employees across roles, to vote.

regions and locations.

#### **INCLUSIVE FACILITIES**

Deckers offers 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.

#### **VOTING SUPPORT**

### **PEOPLE** (CONTINUED)

#### DIVERSITY, EQUITY, AND INCLUSION (CONTINUED)

#### **INCLUSION EFFORTS (CONTINUED)**

#### **EMPLOYEE RESOURCE GROUPS**

We are proud to offer a variety of ERGs to our employees and feel they are a a key component of creating and fostering an inclusive workplace. ERGs contribute to a greater sense of employee belonging and directly tie to one of our core values, "Come as You Are." They bring together people of diverse backgrounds to share innovative ideas, help accomplish business goals and foster greater connections. We encourage our employees to take part of one of our ERGs - or, if they don't find one that suits them - set up a new one. To date, we have a total of ten ERGs.

### EMPLOYEE RESOURCE GROUPS (ERGS)

	PRISM (LGBTQIA+)	Reaching beyond boundaries to unite, advance and promote the LGBTQI+ community.
LTE	<b>LTX</b> (LATINX)	Promotes advancement, cultural awareness, talent recruitment, retention, and professional development of Latinx community.
DECKABILITY IALLIES'	DECKABILITY & ALLIES	Offers opportunity to connect and share resources for employees with disabilities or connections to people with disabilities and any other like-minded individuals.
BLK	BLK (BLACK)	Community support dedicated to amplifying Black voices and talent.
A A A A A A A A A A A A A A A A A A A	HEALTHY MINDS	Community support for employees with personal or family mental health relationships.
इंग्रेट <i>ाफ्र</i>	SOUTH ASIAN	Committed to increasing racial literacy, supporting recruiting and hiring of South Asian talent, and promoting cultural awareness at Deckers.
HISTORY	BOUNDLESS (WOMEN'S)	A safe and celebratory space where women and allies of women across the globe can share, support, inspire and learn from each other; be heard powerfully and authentically; and be themselves.
	VERG (VETERANS)	Provides resources to help current and former service members, spouses, and advocates.



(VOLUNTEERING)

ourselves.

#### **ERG + BUSINESS COLLABORATION**

We are excited that our brands are connecting with our ERGs who are helping provide perspective and feedback to ensure our product offerings are inclusive.

The PRISM ERG partnered with our UGG brand marketing and public relations teams to support 2022 Pride initiatives. Our DECKAbility and Allies ERG has helped review learning and development training for disability awareness and shared feedback. As our ERG community grows, so will the collaboration between our employees and different parts of the business.

We have also empowered our ERGs to host events for their members, as well as our broader global employee base. This year, our PRISM ERG hosted a DEI workshop with Crayola the Queen who talked about LGBTQIA+ historical facts, answered employee questions and sang for attendees.

Our Healthy Minds ERG hosted an event focused on mental health and wellness featuring an open conversation between our CEO, a clinical psychologist, and the Healthy Minds co-leads who discussed vulnerability, mental wellness and creating trust and safety at work. This event was part of a broader effort to speak more openly in the workplace about mental health and well-being. Caring for the whole employee is critical to creating a more inclusive workplace where employees can feel supported and in turn can thrive.

Since launching our ERG framework in November 2020, we have seen very high levels of employee engagement and participation. We are confident we will continue to see increased growth in membership and the continued fostering of a sense of community among our ERG members.

Offers support to employees around the topic of working parents and care givers.

A group of passionate leaders coming together to inspire, encourage, help and model what it means to be authentic in our expression of the art of being kind and giving of







### **PEOPLE** (CONTINUED)

#### DIVERSITY, EQUITY AND INCLUSION (CONTINUED)

#### 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. We were thrilled to host the event as a hybrid virtual and in person in FY22. This year the Women's Leadership Summit consisted of a moderated panel with our four female Board members, as well as an outdoor yoga event at a park near our corporate headquarters. Attendance at both events was very high, as was engagement in this annual Deckers tradition.

#### **OPTIONAL SELF-ID FIELDS** AND PRONOUNS

We added optional self-identification fields to our HRIS system, including additional gender, sexual orientation and disability pronouns. Adding this information to an employee's profile is optional and all data is used only an on aggregated basis, but we believe that collecting this information will help us better understand aspects of the diversity of our employee identities which will in turn enable us to create more inclusive DEI initiatives. We have seen an increase in employees choosing to provide this data which helps us better understand our employee population so we can more effectively create DEI-focused initiatives and programs to support our employees' needs.

We also encourage our employees to include gender pronouns in their email signatures. By doing so, we believe that we help create the space to enable individuals to identify themselves in the way in which they choose and affirm our individual value. Fostering inclusive behavior and empowering our employees to Come as They Are is integral to how we work and to our Deckers core values.

#### **RACIAL AND SOCIAL JUSTICE GIVEBACKS**

For the last three years, we have made a \$500,000 annual donation to organizations that support social and racial justice around the globe. We intend to make this a recurring annual donation which underscores our commitment to using our platforms to help elevate others.

In honor of Black History Month and as part of Deckers' ongoing commitment to amplify and celebrate Black culture and voices, we have also established an annual scholarship program with United Negro College Fund which awards HBCU students who are pursuing careers in sustainable fashion, innovation or design-areas near and dear to us at Deckers.

#### **BRAND-SPECIFIC DIVERSITY AND INCLUSION EFFORTS**

#### UGG PRIDE

UGG unveiled its "Feel Heard" campaign and collection for Pride month. The collection included an array of allgender products. In June 2022, as part of the campaign, UGG also part of the campaign, UGG also donated \$125,000 to the Trevor Project, the world's largest suicide prevention and crisis intervention organization for lesbian, gay, bisexual, transgender, queer, and guestioning young people. UGG strives to destigmatize mental health and establish a world where people don't feel the need to apologize for who they are or who they love.



#### VALUABLE 500

As part of an ongoing commitment to extend the feeling of UGG<sup>®</sup> universally, UGG, as well as Deckers, participate in **The Valuable 500**, a global movement putting disability inclusion on the business leadership agenda. Striving to foster equity in everything it does, UGG<sup>®</sup> will support and amplify the voices of people with disabilities from its process to its products.

### **PEOPLE** (CONTINUED)

#### DIVERSITY, EQUITY, AND INCLUSION (CONTINUED)

#### BRAND-SPECIFIC DIVERSITY AND INCLUSION EFFORTS (CONTINUED)



#### **TEVA PRIDE**

Advocating for all who adventure, the TEVA brand was thrilled to offer a vibrant collection of Pride sandals that spotlight the Pride Flag and its call for inclusivity. In June 2022, in honor its commitment to the LGBTQ+ community, TEVA donated \$25K to support The Trevor Project, the world's largest suicide prevention and mental health organization for lesbian, gay, bisexual, transgender, queer & questioning (LGBTQ+) young people.

#### SANUK PRIDE

In FY22, Sanuk partnered with Pacific Pride Foundation and LGBTQ+ artist Maggie Johnson to design a unique collection of inclusive styles inspired by the vibrancy of the LGBTQ+ community. As part of its collaboration, Sanuk donated \$10,000 and an additional \$3 per pair sold to help Pacific Pride Foundation ensure a vibrant, visible and thriving LGBTQ+ community.



#### KOOLABURRA BY UGG PRIDE

Koolaburra celebrated all families with a philanthropic product giveback to support Family Equality, the Koolaburra by UGG was thrilled to announce its leading national organization for LGBTQ+ families, and Koolaburra x Frenshe collaboration that celebrated partnered with Southern California activist Vanessa wellness and women's businesses. To further its support, Alvarez. Additionally, from May 23, 2022 through June Koolaburra by UGG donated \$40,000 to Women's 30, 2022 for each pair of Pastel colored styles sold on Economic Ventures (WEV), which provides female Koolaburra.com, Koolaburra by UGG donated \$25 of the entrepreneurs with business mentoring and funding, in marked retail price to Family Equality, up to a maximum partnership with Frenshe. guaranteed donation of \$15,000.



#### KOOLABURRA BY UGG CELEBRATES WOMEN'S ENTREPRENEURSHIP

### **PEOPLE** (CONTINUED)

#### **BENEFITS**

#### **EMPLOYEE WELLNESS**

We strive to be one of the best places to work and recognize our employees are at different stages of life and have specific individual needs. We offer affordable, innovative, comprehensive and competitive benefits package that range from health insurance, retirement plan, life insurance, disability, accident coverage, paid time off, paid and unpaid leave, mental health benefits and other voluntary benefits.

We have demonstrated a history of investing in our workforce by offering competitive salaries and wages, as well as annual increases based on merit. Annual incentive compensation is based on Company and individual performance. Further, to foster a stronger sense of ownership and align the interests of management with stockholders, restricted stock units are granted to a substantial proportion of our executive employees under our broad-based stock incentive programs. In addition, we engage a nationally recognized outside compensation and benefits consulting firm to independently evaluate the effectiveness of our executive compensation and total rewards programs and to provide benchmarking against our peers within the industry.

#### BELOW IS A SUMMARY OF CERTAIN U.S. 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 paid parental leave to parents for the birth or adoption of a child.

#### 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

We offer comprehensive overall health insurance benefits and resources to encourage employees and their families to maintain a healthy lifestyle. A variety of health and wellness programs are available, including free Headspace.com memberships for all employees, an on-site fitness center at our headquarters, virtual fitness classes, and an Employee Assistance Program (EAP) to support mental health.

#### **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 heath 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 whatever the future may bring.

#### CHARITABLE CONTRIBUTION DONATION MATCH

Deckers strongly believes in giving back. To encourage employees to contribute to charitable organizations that are of personal significance to them, Deckers offers a charitable donation match of up to \$2,000 per year for corporate, full-time, benefits eligible employees. Additionally, both our US and our London offices have 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.

#### 401(K)

The Company provides a 401(k) defined contribution plan that eligible US employees may elect to participate in through tax-deferred contributions or other deferrals. Internationally, the Company has various defined contribution plans. Certain international locations require mandatory contributions under social programs, and the Company contributes at least the statutory minimums.

#### CREATING CHANGE ESG RELATED BENEFITS FLEXIBLE WORK

We exist to positively impact the world by uniting Work is more than a location. Our goal is to allow for purposeful brands with diverse people driven to succeed as much flexibility as we can-trusting our employees and create change. At our LEED Silver Certified world to deliver results and empowering our managers to headquarters in California, we offer electric vehicle lead-wherever they are. Our Flexible Work Model grants and subsidized charging stations. We also make includes a variety of arrangements for on-site, hybrid, a difference outside the job by offering 24 hours of and remote work. Flexible work doesn't just refer to the paid volunteer time per year, a donation matching physical location an employee works in, it represents program, and service events such as our bi-annual Art our aspiration to lead with flexibility in all that we do. of Kindness-a global week of doing good.

#### **GROWTH AND DEVELOPMENT**

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 similarly competitive.



#### **INTERNATIONAL BENEFITS**

## **COMMUNITY**



#### **COMMUNITY TARGETS**

operate including assuring industry leading

#### **OUR APPROACH**

Doing good while doing great is our mantra and this principle guides our overall corporate giving program. Our giving is strategically aligned with our sustainable development goals (SDGs) and our DEI strategy; with a focus on social and racial justice, the environment, uplifting youth, education, and community support. We will continue our focus on these key areas as our strategic approach into FY23 in support of these areas.

Doing good in the world through our charitable efforts is an essential part of our culture and core to our values. Deckers continues to give in all three ways: (1) monetary donations, (2) volunteer efforts, and (3) in-kind product donations. Employees are strongly encouraged to volunteer and we compensate each employee up to 24 hours of paid volunteer time each year.

#### **MONETARY CONTRIBUTIONS**

In FY22, we donated \$3.41 million to various nonprofit organizations in the global communities in which we operate. Additionally, our headquartered brand showcase retail store raised \$129,542 for local organizations in the Santa Barbara community. With our focused approach we are able to make a more significant impact in those areas which matter most to us: people and the planet.

#### FY22 MONETARY CONTRIBUTIONS BY SECTOR

TOTAL	\$3.41 million
Regional	\$411,314
Matching	\$176,705
Uplifting Youth	\$253,466
Education	\$321,778
Community	\$577,086
Environment	\$617,141
DEI	\$1,052,510





#### **FY22 U.S. CHARITABLE CONTRIBUTIONS** (BY SECTOR)

9 35% DEI 20.6% ENVIRONMENT • 19.3% COMMUNITY 10.7% EDUCATION • 8.5% UPLIFTING YOUTH • 5.9% MATCHING

### HOKA (CONTINUED)

GENDER EQUALITY, QUALITY EDUCATION AND REDUCED INEQUALITIES

## **COMMUNITY** (CONTINUED)

### **BRAND CHARITABLE SPEND FOCUS**

	UGG
BSR <sup>°</sup> h <mark>er</mark> <sup>+</sup> project <sup>∞</sup>	<b>HERproject</b> 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).
glaad 🕠	<b>GLAAD</b> GLAAD works through entertainment, news, and digital media to share stories from the LGBTQ community that accelerate acceptance.
ONE <b>TREE</b> PLANTED	<b>One Tree Planted</b> One Tree Planted works to restore damaged ecosystems, stabilize soil, and support the water cycle by growing trees.
순 OneGoal.	<b>OneGoal</b> OneGoal is working to ensure ever young person has an equitable opportunity to achieve their greatest post secondary aspirations.
	<b>International Neighborhood Collaborative Dovetail Project</b> International Neighborhood Collaborative's Dovetail Project provides fathers ages 17 to 24 the skills and support they need to be better fathers for their children and better men in their communities.
	<b>Every Mother Counts</b> Every Mother Counts is a non-profit organization dedicated to making pregnancy and childbirth safe for every mother.
	<b>The Trevor Project</b> is the world's largest suicide prevention and crisis intervention organization for LGBTQ (lesbian, gay, bisexual, transgender, queer, and questioning) young people.
Savory	<b>The Savory Institute</b> equips land managers with innovative tools and curricula and conducts research on the ecological, social, and financial outcomes associated with Holistic Land Management.



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



Soul Trak Outdoors Soul Trak Outdoors is a D.C. based nonprofit that connects communities of color to outdoor spaces while also building a coalition of diverse outdoor leaders



ΗΟΚΑ





Outdoor Outreach Outdoor Outreach strives to connect youth to the transformative power of the outdoors. Since 1999, Outdoor Outreach has provided opportunities for more than 16,000 young people to explore their world, cultivate belonging, and discover what they're capable of.





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





The Trevor Project is the world's largest suicide prevention and crisis intervention organization for LGBTQ (lesbian, gay, bisexual, transgender, queer, and questioning) young people.

brown girl surf. K	<b>Brown Girl Surf</b> Brown women's surf culture by cultivating community.



Pacific Pride Foundation Pacific Pride Foundation's advocacy and education efforts meet the ongoing and emerging needs of a diverse population in order to create a thriving and visible LGBTQ+ community and to prevent the transmission of HIV/AIDS.



Baby2Baby

Baby2Baby Baby2Baby provides children living in poverty with diapers, clothing and all the basic necessities that every child deserves.



Women's Economic Ventures Women's Economic Ventures cultivates the power within each woman to realize her dreams, achieve financial independence and succeed on her own terms.

The Loveland Foundation Loveland Foundation is committed to showing up for communities of color in unique and powerful ways, with a particular focus on Black women and girls.

#### TEVA

Human Rights Foundation The Human Rights Foundation is a non-profit organization that focuses on promoting and protecting human rights globally, with an emphasis on closed societies.

Boys & Girls Club Boys and Girls Club mission is to enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens.

#### SANUK

Brown Girl Surf works to build a more diverse, environmentally reverent, and joyful lture by amplifying the voices of women of color surfers, increasing access to surfing, and

Surfrider 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.

#### KOOLABURRA

## COMMUNITY (CONTINUED)

#### **IN-KIND PRODUCT DONATIONS**

We are committed to furthering the life of a product where possible. Since 2006, we have donated over 1.285 million pairs of shoes to charitable organizations. In FY22, we donated 160,328 pairs to Soles4Souls, a non-profit organization that provides products to individuals in need, and also helps to divert products that would otherwise be destined for landfill.

#### **NOTABLE MONETARY DONATIONS**

### RACIAL AND SOCIAL JUSTICE GIVEBACKS

As stated earlier, for the last three years, we made a \$500,000 donation to organizations that support social and racial justice around the globe. We intend to make this a recurring annual donation which underscores our commitment to using our platforms to help elevate others.

In honor of Black History Month and as part of Deckers' ongoing commitment to amplify and celebrate Black culture and voices, we have established an annual scholarship program with United Negro College Fund which awards HBCU students who are pursuing careers in sustainable fashion, innovation or design-areas near and dear to us at Deckers.

#### SAVORY

In FY21, we established a grant with the <u>Savory Institute</u>. The grant provides holistic solutions and world-class implementation to promote soil health and biodiversity, with a goal of revolutionizing the Australian sheep farming industry, from which our sheepskin is a byproduct, to regenerative agriculture. Our planned grant of over \$3.3 million is anticipated restore 1,000,000 acres of land by 2025. To date, UGG has helped convert over 200,000 acres of land and influenced 40 farms.

#### **FY22 VOLUNTEER EFFORTS**

We appreciate the opportunity to give back to our communities monetarily, but we also see the true value in volunteering our time. Our employees volunteered over 14,000 hours in FY22, a 180% increase when compared to FY21. We have far surpassed our target to increase our volunteer hours 20% by 2023 compared to our baseline year of 2020.

In FY22, we held multiple Art of Kindness events which are weeklong, annual events that employees come together, to make a difference in the communities in which we work and live. This year, we were thrilled to see our supply chain partners join in on our efforts and together with our employees, our suppliers and factories, contributed close to 20,000 hours in volunteer time.

Deckers encourages employees to volunteer their time by compensating each employee up to 24 hours of paid volunteer time each year. Those employees who donate 100 hours of volunteer time per calendar year receive a \$1,000 donation from Deckers to a charity of their choice.

Our employees are passionate about volunteering and feel proud to work for an organization that encourages them to actively volunteer.



## **COMMUNITY** (CONTINUED)

#### **COMMUNITY RECOGNITION**

#### AMERICA'S MOST LOVED WORKPLACES **NEWSWEEK**

Newsweek recognized Deckers Brands as one of America's Most Loved Workplaces. This is an accolade we are particularly proud of as it is focused solely on the degree to which employees have a positive feeling about their employer.

#### **BEST MANAGED COMPANIES OF 2021 WALL STREET JOURNAL**

Deckers was named as one of the best managed companies of 2021 by the Wall Street Journal.

#### **AMERICA'S MOST RESPONSIBLE COMPANIES**

For the third year in a row, Deckers is honored to be featured as one of America's Most Responsible Companies.

#### **BLOOMBERG EQUALITY INDEX**

Deckers was also recognized by the Bloomberg Equality Index. This recognition is so important as it helps keep us transparent and accountable in our efforts to create a more inclusive, accessible and equitable workplace.

#### **PUBLIC COMPANY OF THE YEAR PACIFIC COAST BUSINESS TIMES**

Pacific Coast Business Times recognized Deckers as Public Company of the Year given the accelerated growth of UGG and HOKA, as well as Deckers' efforts around diversity, equity and inclusion.

#### **CARING COMPANY AWARD**

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

#### EQUAL OPPORTUNITY EMPLOYER **RECOGNITION SCHEME**

The Equal Opportunity Employer Recognition Scheme in Hong Kong exists to promote the values of equal opportunities, diversity and inclusion in the workplace, and to recognize the achievements of employers that demonstrate a commitment to implementing policies and practices based on these values. Deckers was very pleased to receive the Outstanding Small to Medium Enterprise award for the Gender Equality, Family Status Equality and Racial Equality and Inclusion categories as recognition of our many DEI efforts.

#### **GOOD EMPLOYER CHARTER BY LABOUR DEPARTMENT**

The Hong Kong SAR government recognized Deckers Brands as a Good Employer. The award goes to organizations that have excelled in caring for their employees, promoting a healthy work-life balance, and for exemplary communication with their employees.

#### **GOOD MPF EMPLOYER AWARD**

The Good MPF Employer Award given by the Mandatory Provident Fund Schemes Authority in Hong Kong aims to cultivate employers' responsibility under the law, and give recognition to employers who strive to enhance retirement protection for their employees. Deckers was pleased to receive this award from the MPFA.

#### **BETTER TOGETHER FUND CHARITY OF THE YEAR**

The South Coast Chamber of Commerce recognized Deckers' initiated Santa Barbara Better Together Fund as Charity of the Year for 2021 for it's work during COVID granting \$1M to over 150 small businesses to keep them afloat before there was any government aid.







### **MATERIALS**

#### MATERIALS

MAXIMIZE THE AMOUNT OF PREFERRED MATERIALS IN OUR PRODUCTS

#### **OUR APPROACH**

We strive to maximize the amount of preferred materials in our product (including recycled, renewable, regenerated, and certified preferred/natural materials). When we understand what our products are made of and where they come from, we can make better sourcing decisions and help guide 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—across all lifecycle gates of each of our materials. The environmental impact metrics we study are Fossil Fuel (MJ), Greenhouse Gas Emission with Carbon Uptake (CO2 eq) and Water Usage. We believe that each of the environmental impact metrics we study are important to evaluate as they ladder up to our sustainable development goals and affect the health and vitality of humanity.

Knowing what goes into our product is incredibly important but we also must be thinking about a circular economy when it comes to product design. Our business, brands, and products will actively engage in the circular economy (design out waste and pollution, keep products and materials in use, and regenerate natural systems). This means all opportunities within a circular economy should be explored including repair, resale, upcycled, downcycled, recycled, materials that naturally degrade, etc.

Further, we recognize traceability is important for the raw materials that go into our products both from an environmental and social perspective. We have partnered with third-party experts Sourcemap and Amber Road to use technology to further support our traceability efforts. To that end we have identified five key commodities that we believe are priority (either due to social or environmental risks) to establish our traceability framework. These include the following: Hides, Cotton, Timber, Rubber and Man-made Cellulosic Fibers (MMCFs). Following this identification we have worked with our technology partners to establish processes with our Suppliers to identify and mitigate risks related to our raw materials.

#### **CIRCULAR ECONOMY**

We have always said we want to be disruptive in the best possible way. For Deckers, being disruptive means we are challenging ourselves and our industry, being creative and innovative, and working toward solutions for challenges plaguing our planet.

We strive to think in a circular way rather than the linear model of 'take-make-waste.' There are three key pillars of a circular economy: (1) design out waste and pollution, (2) keep products and materials in use, and (3) regenerate natural systems.

Here is our approach to a circular economy:

#### 1) DESIGN OUT WASTE AND POLLUTION

- Looking at the construction of our products and packaging in detail and asking ourselves, "Is this necessary?" By simplifying our products, we can cut down on materials and waste.
- Each of our brands have midsole/outsole, packaging, and textile and waste diversion.
- We recognize that packaging also must not be overlooked when it comes to end-of-life as it has the shortest lifespan of all the materials we source. Containers and packaging make up a major portion of municipal solid waste and plastics are a rapidly growing segment of municipal solid waste. We look



critically at our packaging and challenge ourselves to report our packaging availability to be recycled based on US EPA standards.

 We strive to reduce pollutants, including looking at how much energy our partners are using, exploring other options outside of incineration for waste, and proper wastewater disposal.

#### 2) KEEP PRODUCTS AND MATERIALS IN USE

- Longevity and durability are very important and something we are committed to studying for all our brands. We make products that are built to last. Currently, on average over half our UGG customers wear their Classic boots for five years or more. UGG is helping to extend the lifecycle of its classic boots by partnering with NuShoe to restore them and keep them in use longer. We will expand upon these studies over the coming years across all our brands.
- Color is an important factor in longevity we want to explore it and determine which colors are core colors and which colors are trend colors. Core meaning they will live for a longer period of time in our consumers' closets; and Trend - meaning they live for a shorter period of time. Our hope is to use the insights gained from this project to guide our materials decisions moving forward. For example, if a product is going to be made using a trendy color,

ideally it would be designed with lower impact materials. Understanding footwear recycling is in
5 5 5
its infancy globally, we are exploring all available
opportunities to extend the life of our products. This
includes offering resale of gently worn products
and refurbishment options for those consumers
who don't want to let go of their favorite product.

- Where we can recycle, we will, as evidenced by our TerraCycle<sup>®</sup> partnership for Teva sandal.
- By 2030, our business, brands, and products will actively engage in the circular economy. For us, this means we will look at repair, resale, upcycling, downcycling, preferred materials that naturally degrade in a timely manner degrade, etc.

#### **3) REGENERATE NATURAL SYSTEMS**

One example is our effort to revolutionize the sheep farming industry in Australia by committing to restore 1,000,000 acres of land by 2025 through regenerative farming practices with the Savory Institute. In one year we have influenced over 200,000 acres and 40 farms and we look forward to continuing to drive this program forward in the years to come.

### MATERIALS (CONTINUED)

#### **PRODUCT MATERIALS**

#### DECKERS MATERIALS SUBSTRATE BREAKDOWN

Understanding our total material substrate breakout helps direct us to the areas that need the most attention and prioritize decisions to improve our overall impact strategically. As an organization, we know that our largest impact is at the raw material level (raw material extraction and raw material manufacturing). Having a deep understanding of the materials used in our product is imperative if we want to lower our overall footprint.

We look at substrates both in our footwear and our lifestyle (accessories, apparel, and home goods) products. This section will provide greater visibility of Deckers level (a) substrate breakdown, (b) fiber/nonfiber breakdown, and (c) preferred materials. Nonfibers are any material that is not made into a fabric (e.g. leather, sheepskin, films and foams) and fibers are materials made in to a fabric (e.g. cotton and hemp).

Some significant materials-related achievements to note:

- 47.05% of all fibers used in our footwear are preferred materials
- 100% of sheepskin is sourced from Leather Working Group (LWG) certified tanneries that develop and maintain robust protocols which assess the environmental compliance and performance capabilities of leather manufacturers and promote sustainable environmental practices
- 99.91% of wool used in our footwear was repurposed wool or RWS Wool, and 0.09% virgin wool or untraced. We are committed to either eliminate virgin wool usage in our footwear entirely or ensure it is RWS certified in the near future
- 32.99% of all co-polyester fibers and films used in our footwear comes from post-consumer, postindustrial, or renewable sources
- 32.89% of all cotton fibers used in our footwear, and 99.81% of our apparel, accessories, and home goods is sourced from a sustainable cotton growing scheme, or are made of recycled materials

#### FY22 DECKERS BRANDS MATERIALS WEIGHT BY PRODUCT CATEGORY



96.44% FOOTWEAR
 3.56% APPAREL, ACCESSORIES AND HOME GOODS

RANK	MATERIAL TYPE	USAGE
1	EVA	18.00%
2	LWG Leather and Suede	10.36%
3	Polyester and/or PET	10.08%
4	LWG Sheepskin	8.59%
5	Repurposed Wool	5.10%
6	POE Infuse	4.83%
7	Generic POE Polyolefin	4.05%
8	Polyurethane	3.39%
9	Aluminum Silicate	3.35%
10	RPET Recycled Polyethylene	2.88%
11	TPU Thermoplastic Polyuret	2.46%
12	Nylon	1.88%

#### DECKERS APPAREL, ACCESSORIES AND HOME GOODS TOP MATERIALS

RANK	MATERIAL TYPE	USAGE
1	Polyester and/or PET	48.01%
2	Responsible/Certified Organic/Recycled Cotton	22.54%
3	LWG Sheepskin	4.14%
4	Silicone Rubber	3.89%
5	Recycled Polyester and/or RPET	3.51%
6	Acrylic	3.47%
7	Nylon	3%
8	Modal (Generic)	2.46%
9	Glass Silicon	1.72%
10	Spandex Elastane	1.58%

#### DECKERS FOOTWEAR TOP MATERIALS

### MATERIALS (CONTINUED)

#### **FY22 DECKERS FOOTWEAR SUBSTRATE BREAKDOWN**

#### FY22 DECKERS FOOTWEAR SUBSTRATE BREAKDOWN



\*Natural: A natural material is any product or physical matter that comes from plants, animals, or the ground (including minerals and metals). Synthetic: petroleum-based materials. Man-made: Comes from a natural source then altered by human beings.

#### FY22 DECKERS APPAREL, ACCESSORIES AND HOME GOODS SUBSTRATE BREAKDOWN



\*Natural: A natural material is any product or physical matter that comes from plants, animals, or the ground (including minerals and metals). Synthetic: petroleum-based materials. Man-made: Comes from a natural source then altered by human beings.

#### FY22 DECKERS FOOTWEAR SUBSTRATE TYPE BREAKDOWN

62.43% SYNTHETIC POLYMER • 19.20% ANIMAL HIDE

- 8.00% ADDITIVE
- 6.81% FIBER 1.74% MAN-MADE FIBER
- 1.36% NATURAL ELASTOMER
- 0.35% METAL
- 0.01% WOOD





#### • 65.17% SYNTHETIC POLYMER

- 23.56% FIBER
- 4.95% ANIMAL HIDE
- 4.02% MAN MADE FIBER
- 1.76% ADDITIVE
- 0.32% METAL
- 0.22% THERMOPLASTIC ELASTOMERS

### MATERIALS (CONTINUED)

#### **FY22 DECKERS FOOTWEAR FIBER USAGE UPDATE**



#### FY22 DECKERS FOOTWEAR FIBER SUBSTRATE BREAKDOWN



FY22 DECKERS FOOTWEAR FIBER SUBSTRATE BREAKDOWN

### FY22 DECKERS APPAREL, ACCESSORIES AND HOME GOODS FIBER USAGE UPDATE

**FY22 DECKERS APPAREL, ACCESSORIES AND HOME GOODS** FIBER SUBSTRATE BREAKDOWN

> FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS SUBSTRATE BREAKDOWN



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- 54.4% POLYESTER AND/OR PET
- 26.0% RESPONSIBLE AND/OR
- RECYCLED COTTON • 4.0% RECYCLED POLYESTER AND/OR RPET
- 4.0% ACRYLIC
- 3.4% NYLON
- 2.8% MODAL (GENERIC) 1.8% SPANDEX ELASTANE
- 1.6% OTHER FIBERS

**0 23.96%** EVA

13.79% LWG LEATHER AND SUEDE
 11.98% OTHER NON-FIBER

6.44% POE INFUSE
5.40% GENERIC POE POLYOLEFIN
4.51% POLYURETHANE
4.47% ALUMINUM SILICATE
3.25% TPU THERMOPLASTIC POLYURETHANE
2.50% IIR SYNTHETIC RUBBER
2.41% POLYETHER POLYOL

• 11.44% LWG SHEEPSKIN

6.44% POE INFUSE

ENVIRONMENT

### MATERIALS (CONTINUED)

#### FY22 DECKERS FOOTWEAR NON-FIBER SUBSTRATE BREAKDOWN

### FY22 DECKERS APPAREL, ACCESSORIES AND HOME GOODS **NON-FIBER SUBSTRATE BREAKDOWN**

#### **FY22 DECKERS FOOTWEAR NON-FIBER SUBSTRATE BREAKDOWN**



FY22 DECKERS APPAREL, ACCESSORIES, AND HOME NON-FIBER SUBSTRATE BREAKDOWN

- 33.13% LWG SHEEPSKIN
- 31.14% SILICONE RUBBER
- 13.77% GLASS SILICONE
- 6.51% POLYURETHANE
- 6.32% LWG LEATHER AND SUEDE
- 3.43% PET POLYETHYLENE TEREPHTHALATE
- 2.94% OTHER NON-FIBERS
- 0.86% ZINC ALLOY

### MATERIALS (CONTINUED)

#### DECKERS FIBER AND NON-FIBER BY BRAND WEIGHT

Each of our brands make up different percentages of our overall footprint. Understanding the overall make up guides our materials decisions and allows us to focus on those changes that will have the greatest impact first.

Of our entire footwear fiber weight usage, our brands are broken up as follows:

FY22 DECKERS FOOTWEAR

FIBER WEIGHT USAGE BY BRAND

#### APPAREL, ACCESSORIES, AND HOME GOODS FIBER BY BRAND

Currently, only our UGG and HOKA brands have apparel, accessories or home lines.\* Of our entire apparel, accessories and home fiber weight usage, UGG represents 94.13% of our footprint while HOKA represents 5.87%.





Of our entire footwear non-fiber weight usage, our brands are broken up as follows:

#### FY22 DECKERS FOOTWEAR NON-FIBER WEIGHT USAGE BY BRAND



54.40% UGG
 28.83% HOKA
 9.93% TEVA
 4.06% KOOLABURRA
 2.78% SANUK



\*Note the above excludes minor amounts of Teva and Koolaburra apparel/accessories/home



## MATERIALS (CONTINUED)

#### PREFERRED MATERIALS

We continue 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., TENCEL™ Lyocell and TENCEL™ Modal*), preferred plant fibers (*e.g., cotton sourced via responsible cotton schemes, hemp, linen, ramie and jute*), Preferred Wool (*e.g., UGGpure repurposed wool*), and Preferred Down (*e.g., Responsible Down certified*).

Additionally, we will only source paper, pulp, packaging and forest products, including man-made cellulosic fibers like viscose, rayon, and other trademark brands from legally harvested, sourced, transported and exported sources, and we prohibit sourcing from tree plantations that were established after 1994 through conversion or simplification of natural forests. Below is a list of the key responsible/preferred materials supported by our brands, all of which are currently used in our product portfolio.

This section will provide more visibility into (1) preferred v. non-preferred fiber consumption (2) preferred v. non-preferred non-fiber usage and (3) preferred materials we use and why we believe them to be more preferred.

In FY22, 39.63% of all our materials (including both product and packaging) were certified to an environmental and/or social sustainability standard.

### MATERIALS CERTIFIED TO AN ENVIRONMENTAL AND OR SOCIAL SUSTAINABILITY STANDARD

ENVIRONMENTAL AND/OR SOCIAL SUSTAINABILITY STANDARD	FY19	FY20	FY21	FY22
RESPONSIBLE COTTON	0.00%	0.03%	1.34%	0.77%
FOREST STEWARDSHIP COUNCIL (FSC)	16.51%	18.35%	17.90%	19.97%
GLOBAL ORGANIC TEXTILE STANDARD (GOTS)	0.00%	0.00%	0.00%	0.08%
GLOBAL RECYCLING STANDARD (GRS)	2.88%	3.28%	3.82%	4.45%
LEATHER WORKING GROUP (LWG)	15.15%	15.90%	13.29%	12.48%
RECYCLED CLAIM STANDARD (RCS)	0.24%	0.12%	0.13%	0.28%
RESPONSIBLE DOWN STANDARD (RDS)	0.00%	0.00%	>0.00%	>0.00%
RESPONSIBLE WOOL STANDARD (RWS)	0.00%	0.00%	0.00%	0.05%
UNIFI U-TRUST + GRS GLOBAL RECYCLING STANDARD	0.29%	0.73%	0.97%	1.55%
UNIFI U-TRUST OUR OCEANS + GRS GLOBAL RECYCLING STANDARD	0.00%	0.00%	0.00%	>0.00%
NONE	64.94%	61.59%	62.55%	60.37%
GRAND TOTAL	100.00%	100.00%	100.00%	100.00%
% CERTIFIED TO ENVIRONMENTAL OR SOCIAL STANDARD	35.06%	38.41%	37.45%	39.63%











MATERIALS (CONTINUED)

**DECKERS PREFERRED MATERIALS** 

**FY22 DECKERS FOOTWEAR** PREFERRED MATERIAL BREAKDOWN





#### FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PREFERRED MATERIAL BREAKDOWN

MATERIALS (CONTINUED)

**DECKERS PREFERRED FIBERS** 

**FY22 DECKERS FOOTWEAR** PREFERRED FIBER BREAKDOWN





#### FY22 DECKERS APPAREL, ACCESSORIES, AND HOME **GOODS PREFERRED FIBER BREAKDOWN**

68.60% NON-PREFERRED
 31.40% PREFERRED

### MATERIALS (CONTINUED)

#### **DECKERS PREFERRED FIBER**



DECKERS BRANDS FOOTWEAR PREFERRED FIBER GROWTH



\*Note, the above chart shows a decrease in the amount of preferred materials for apparel, accessories and home. The reason for this shift can be attributed to the fact that apparel total units decreased while accessories total units increased thus causing a weight being disproportional when compared to previous years.



MATERIALS (CONTINUED)

**DECKERS PREFERRED NON-FIBERS** 

#### **FY22 DECKERS FOOTWEAR** PREFERRED NON-FIBER BREAKDOWN



• 70.17% NON-PREFERRED • 29.83% PREFERRED



\*Note, as a reminder, non-fibers are any material that is not made into a fabric (e.g. leather, sheepskin, films and foams). Fibers are materials made in to a fabric (e.g. cotton and hemp).

\*Note, as a reminder, non-fibers are any material that is not made into a fabric (e.g. leather, sheepskin, films and foams). Fibers are materials made in to a fabric (e.g. cotton and hemp).



• 60.50% NON-PREFERRED • 39.50% PREFERRED

### MATERIALS (CONTINUED)

#### **DECKERS PREFERRED NON-FIBER GROWTH**



DECKERS BRANDS FOOTWEAR PREFERRED NON-FIBER RESULTS



\*Note, non-fibers only represent 12.50% of the apparel accessories and home weight in FY22. The above reflects a significant decrease in preferred non-fibers as the use of sheepskin, leather and suede decreased by nearly 45% when compared to FY21.

#### DECKERS BRANDS APPAREL, ACCESSORIES AND HOME GOODS PREFERRED NON-FIBER GROWTH

### MATERIALS (CONTINUED)

#### PREFERRED LEATHER AND SHEEPSKIN

We use only the best leather and sheepskin in our products. For us that means leather and sheepskin that not only meet our strict aesthetic requirements, but also meet robust environmental criteria. The vast majority of our leather and sheepskin comes from Leather Working Group (LWG) certified tanneries and we want to ensure that 100% of all our leathers and sheepskin used in our footwear is LWG. Since 2005, LWG has identified environmental best practices in the tanning industry, and has provided companies with guidelines for continuous improvement. LWG offers a suite of auditing tools to assess the environmental performance of tanning facilities, and they only certify those facilities that meet LWG's robust standards. This section will discuss the environmental benefits of using LWG and the importance of traceability.

#### LWG LEATHER GROWTH





DECKERS FOOTWEAR LWG LEATHER GROWTH



#### **BENEFITS OF LWG LEATHER**



#### LWG LEATHER VS. STANDARD **LEATHER TANNING\***

In FY22, we used approximately 58.2 million sq. ft. of leather and suede. 100% of the leather supply we source in our footwear came from LWG certified tanneries and the majority of leather used in our apparel, accessories and home was also sourced from LWG certified tanneries. LWG promotes sustainable and environmentally friendly business practices within the leather industry. All licensees and agents are required to use LWG certified leathers in our products. We compared our LWG (all levels: gold, silver and bronze) leather and suede usage against the same usage in its conventional standard leather and suede tanning form. By sourcing through LWG certified tanneries, we saved over 566 million MJs of energy, over 28 billion liters of water and over 94.6 million lbs. of CO2 eq. emissions.

\*Note, the above includes all leather used in all our products from all material categories.

#### DECKERS APPAREL, ACCESSORIES, AND HOME GOODS LWG LEATHER GROWTH

### 94,638,881

**GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

> 28,076,125,399 WATER SAVED (LITERS OF WATER)

> > 566,001,038 ENERGY SAVED (MJ)
### MATERIALS (CONTINUED)

#### **LWG SHEEPSKIN GROWTH\***



DECKERS FOOTWEAR LWG SHEEPSKIN GROWTH

#### **PREFERRED LEATHER AND SHEEPSKIN (CONTINUED)**

#### **BENEFITS OF LWG SHEEPSKIN**

#### LWG SHEEPSKIN VS. STANDARD **SHEEPSKIN TANNING\***

In FY22, we used nearly 51.3 million sq. ft. of sheepskin. Sheepskin processing is environmentally taxing because it requires the additional impacts of scouring, bleaching and dyeing. We want to make sure we are using tannery partners, like LWG, who promote sustainable environmental practices. 100% of the sheepskin we used in our products was sourced through LWG certified tanneries. We compared our LWG (all levels: gold, silver and bronze) sheepskin usage against the same usage in its conventional standard sheepskin tanning form. By sourcing our sheepskin through LWG certified we saved over 203 million MJs of energy, over 26.9 billion liters of water and over 34.1 million lbs. of CO2 eq. emissions.

\*Note, the above includes all sheepskin used in all our products from all material categories



DECKERS APPAREL, ACCESSORIES, AND HOME GOODS LWG SHEEPSKIN GROWTH

\* Note, this is our first year reporting apparel, accessories and home goods — we intend to maintain 100%.

## 34,182,860

**GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

### 26,971,236,175 WATER SAVED

(LITERS OF WATER)



## MATERIALS (CONTINUED)

#### **SHEEPSKIN AND LEATHER TRACEABILITY EFFORTS**

Knowing where our hides originate helps us ensure we're not sourcing from countries that contribute to deforestation, participate in live transport, or other animal welfare abuses.

#### TRACEABILITY TARGET: **PROCESSING FACILITY**

We aim to trace a minimum of 85% of all bovine and sheepskin back to the processing facility within the leather and sheepskin materials categories. In FY22, we were able to trace 90.96% of our sheepskin and 78.75% of our bovine full grain. Please note, the charts below only depict leather and sheepskin hides in our footwear but we strive to incorporate our in-house apparel, accessories and home goods in the future.

#### FY22 DECKERS FOOTWEAR HIDES TRACED TO PROCESSING FACILITY





## MATERIALS (CONTINUED)

#### SHEEPSKIN AND LEATHER TRACEABILITY EFFORTS (CONTINUED)

#### **TRACEABILITY TARGET: COUNTRY OF ORIGIN**

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 and tracing our hides back to the country of origin.

We aim to trace a 100% of all hides/skin back to the country of origin within the leather and sheepskin material categories. In FY22, we were able to trace 100% of our sheepskin and leather back to the country of origin.

The majority of our sheepskin hides came from Australia and United Kingdom while the majority of our leather and suede hides came from the United States and Argentina in FY22. Please note, the charts below only depict leather and sheepskin hides in our footwear but we strive to incorporate our in-house apparel, accessories and home goods in the future.

#### LEATHER AND SUEDE HIDES TRACED TO COUNTRY OF ORIGIN

#### FY22 LEATHER AND SUEDE HIDES COUNTRY OF ORIGIN



#### TOTAL SHEEPSKIN, LEATHER, AND SUEDE TRACED TO COUNTRY OF ORIGIN

#### FY22 SHEEPSKIN AND LEATHER HIDES COUNTRY OF ORIGIN

#### SHEEPSKIN HIDES TRACED TO COUNTRY OF ORIGIN

FY22 DECKERS SHEEPSKIN HIDES COUNTRY OF ORIGIN



SHEEPSKIN HIDES COO	PERCENTAGE
Australia	59.34%
United Kingdom	23.38%
• Ireland	6.94%
New Zealand	5.48%
<ul> <li>United States</li> </ul>	4.84%
• Spain	0.01%



HIDES COO	PERCENTAGE
<ul> <li>United States</li> </ul>	74.48%
<ul> <li>Argentina</li> </ul>	18.51%
• India	2.17%
• Vietnam	0.96%
<ul> <li>United Kingdom</li> </ul>	0.81%
<ul> <li>Indonesia</li> </ul>	0.79%
<ul> <li>South Africa</li> </ul>	0.73%
• Spain	0.51%
• Brazil	0.33%
• France	0.25%
<ul> <li>Ethiopia</li> </ul>	0.23%
• Nigeria	0.21%

HIDES COO	PERCENTAGE
<ul> <li>United States</li> </ul>	42.41%
• Australia	27.33%
<ul> <li>United Kingdom</li> </ul>	11.21%
Argentina	9.99%
<ul> <li>Ireland</li> </ul>	3.20%
<ul> <li>New Zealand</li> </ul>	2.52%
• India	1.17%
<ul> <li>Vietnam</li> </ul>	0.52%
<ul> <li>Indonesia</li> </ul>	0.43%
<ul> <li>South Africa</li> </ul>	0.40%
• Spain	0.28%
• Brazil	0.18%
• France	0.13%
• Ethiopia	0.13%
<ul> <li>Nigeria</li> </ul>	0.11%

## MATERIALS (CONTINUED)

#### **PREFERRED POLYESTER**

#### **RECYCLED POLYESTER** (RPET)

Recycled polyester (rPET) is comprised predominantly of plastic water bottles and other recycled PET packaging waste. In FY22, Teva continues to utilize rPET in 100% of its iconic straps and both HOKA and UGG significantly increased the use of recycled polyester. In FY22, Deckers utilized over 5.13 million lbs of rPET, which is the equivalent of over 137 million PET water bottles utilized into all our products. To date, Deckers has diverted over 254 million bottles and utilized 1.77 million lbs of post-industrial polyester fabric scrap in our products in FY22.

#### PLASTIC PET WATER BOTTLES DIVERTED FROM LANDFILL OVER TIME



### **DECKERS CO-POLYESTER FIBERS AND FILMS BREAKDOWN**



\*Note, the co-polyester family includes polyester, recycled polyester, rPET, PET, polycarbonate, bio-based Polyester/PET, recycled polycarbonate and terylene.



#### DECKERS LBS OF POST IDUSTRIAL POLYESTER FABRIC SCRAP USED OVER TIME



152

#### DECKERS FOOTWEAR PREFERRED CO-POLYESTER GROWTH

### MATERIALS (CONTINUED)

#### FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS CO-POLYESTER BREAKDOWN (FIBERS AND FILMS)



• 93.18% POLYESTER / PET

• 0.01% POLYCARBONATE

• 6.81% RECYCLED POLYESTER / RPET

\*Note, the co-polyester family includes polyester, recycled polyester, rPET, PET, polycarbonate, bio-based Polyester/PET, recycled polycarbonate and terylene



#### DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PREFERRED CO-POLYESTER GROWTH

#### **BENEFITS OF RECYCLED POLYESTER & RPET**

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

In FY22, we used 6,088,314 lbs. of post consumer rPET (fiber and film) and polyesters from post-industrial fabric waste in our products and packaging. rPET comes, most notably, from plastic PET bottles but can also come from other food grade and consumer packaging waste. Post-industrial polyester comes from waste produced at yarn, textile and fabric mills. When comparing the same virgin polyester fiber usage to our recycled polyester fibers, RPET films and fibers, we saved over 209 million MJs of energy, over 8.96 billion liters of water and over 22.8 million lbs. of CO2 eq. emissions.

### 222,844,885

**GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

### 8,960,675,439 WATER SAVED (LITERS OF WATER)

209,137,616 ENERGY SAVED (MJ)

\*Note, the above depicts the combined savings from our product and packaging materials. Only materials that are pre and post-consumer polyester and PET substrates are included.

### MATERIALS (CONTINUED)

#### **PREFERRED WOOL**

#### **REPURPOSED WOOL**

We use repurposed wool in our UGGpure<sup>™</sup> and UGGplush proprietary technologies. Repurposed wool comes from the hides what we already use in our twinface sheepskin products. By upcycling this material, we are reducing waste generation and protecting the welfare of animals.

#### **FOOTWEAR WOOL EFFORTS**

In FY22, 99.91% of wool used in our footwear was repurposed wool or RWS Wool, and 0.09% was virgin or untraced. We are committed to either eliminate virgin wool usage in our footwear entirely or ensure it is RWS certified in the near future.

FY22 DECKERS FOOTWEAR

PREFERRED WOOL FIBER BREAKDOWN

#### **RESPONSIBLE WOOL STANDARD** (RWS) CERTIFIED

While the majority of the wool used in our products is repurposed wool, we are committed to ensuring that any virgin wool content used in our products will be **RWS certified** in the near future. RWS 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.



0.09% VIRGIN WOOL



**FY22 DECKERS FOOTWEAR PREFERRED** WOOL GROWTH



#### **APPAREL, ACCESSORIES AND HOME GOODS WOOL EFFORTS**

In FY22, 10.87% of wool used in our apparel, accessories and home goods was RWS Wool and 89.13% was virgin. We have committed to either eliminate our virgin or untraced usage in apparel, accessories, and home goods entirely or ensure it is Responsible Wool Standard certified by 2025.

#### FY22 DECKERS APPAREL. ACCESSORIES. AND HOME GOODS PREFERRED WOOL FIBER BREAKDOWN



10.87% RWS WOOL

#### FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PREFERRED WOOL GROWTH



NON-PREFERRED
 PREFERRED

#### **BENEFITS OF RESPONSIBLE WOOL**

#### **RAW REPURPOSED WOOL FIBER VS.** RAW VIRGIN MARKET WOOL FIBER

In FY22, we used 6,238,623 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 over 141 million MJs of energy, over 75.4 billion liters of water and over 222 million lbs. of CO2 eq. emissions.

> 222,235,446 **GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

### 75,487,433,878 WATER SAVED (LITERS OF WATER)

141,124,216 ENERGY SAVED (MJ)

#### **RESPONSIBLE DOWN**

Deckers does not use a lot of down in our products but when we do we ensure it is either (1) recycled down diverted from sources destined for landfill, or (2) virgin down sourced from Responsible Down Standard (RDS) Certified sources. Deckers believes that the welfare of the birds should be respected at all times. As such, Deckers strictly prohibits the practice of live-plucking or force feeding.



### MATERIALS (CONTINUED)

#### PREFERRED PLANT AND **PLANT-BASED FIBERS**

We are proud to use a variety of plant and plant-based materials in our products. We currently use TENCEL™ Lyocell, LENZING<sup>™</sup> ECOVERO<sup>™</sup>, Hemp, Jute, Linen, Ramie, Responsible Cotton, Recycled Cotton, Cork, Straw and Rice Husk, which are all preferred plantbased materials.





• 2.23% HEMP

1.55% CELLULOSE ACETATE

PLANT-BASED FIBER 0.31% JUTE • 0.07% LINEN



FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PLANT AND PLANT-BASED FIBER BREAKDOWN



 63.56% RESPONSIBLE COTTON
 12.57% ORGANIC CERTIFIED COTTON

- - 0.16% CONVENTIONAL COTTON

1.81% RAYON

• 2.21% ECOVERO (LENZING)

• 1.32% OTHER PLANT AND PLANT-BASED FIBER

- 0.55% TENCEL<sup>™</sup> LYOCELL
- 9.24% MODAL
  8.58% RECYCLED COTTON

DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PREFERRED PLANT AND PLANT-BASED FIBER GROWTH



NON-PREFERRED
 PREFERRED

159

## MATERIALS (CONTINUED)

#### PREFERRED PLANT AND PLANT-BASED MATERIALS (CONTINUED)

#### **RESPONSIBLE COTTON**

We are dedicated to seeking sustainable alternatives for materials. We understand the importance of sourcing cotton produced in a way that is better for the people who produce it and for the environment in which it grows. We require that approved suppliers, factorysourced suppliers, licensees and agents do not source from countries or locations that support forced labor (including manufacturing facilities and textile mills). Cotton used in all of our products will be sourced through a responsible cotton scheme, including certified cotton, certified organic cotton and recycled cotton.

#### **BENEFITS OF RESPONSIBLE COTTON**

**RESPONSIBLE COTTON FIBERS V. RAW CONVENTIONAL COTTON** (INCLUDING CERTIFIED ORGANIC COTTON AND RECYCLED COTTON FIBERS)

In FY22, we increased our responsibly sourced raw cotton fiber usage to 1,729,765 lbs. This allowed us to save 19 billion liters of water, 14.1 million MJ of energy and reduced our CO2 eq. emissions by 3.27 million lbs.



57.1% CONVENTIONAL COTTON
 32.9% RESPONSIBLE AND/OR RECYCLED COTTON

DECKERS FOOTWEAR PREFERRED

100%

80%

FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS

PREFERRED COTTON FIBER BREAKDOWN



#### DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PREFERRED COTTON FIBER GROWTH



NON-PREFERRED
 PREFERRED

### COTTON FIBER GROWTH 0.08% 1.47% 20.94% 32.89





**3,270,424** GREENHOUSE GAS EMISSIONS SAVED (LBS OF CO2)

### **19,082,818,859** WATER SAVED (LITERS OF WATER)

**14,173,226** ENERGY SAVED (MJ)

### MATERIALS (CONTINUED)

#### **BENEFITS OF TENCEL<sup>™</sup> LYOCELL**

Lyocell is a regenerated cellulosic fiber of botanic origin, which helps to maintain environmental balance. TENCEL<sup>™</sup> Lyocell is produced from sustainably sourced wood using environmentally responsible processes, 99% of the solvent-spinning process recycles water and reuses the solvent at a recovery rate of more than 99%. In FY20, we introduced UGGPlush<sup>™</sup> which is UGGpure wool combined with a percentage of TENCEL<sup>™</sup> Lyocell woven into a recycled polyester backing. Lyocell allows our brands to move away from sourcing virgin wool and synthetic virgin petroleum-based faux fur. In FY21, roughly half of our UGGpure technology was converted to UGGplush, and in FY22, nearly all has been converted to UGGplush.

#### **TENCEL<sup>™</sup> LYOCELL FIBER VS. CONVENTIONAL VISCOSE FIBER**

In FY22, we used 1,766,164 lbs. of TENCEL<sup>™</sup> Lyocell When comparing conventional viscose raw fiber usage to the same usage of TENCEL<sup>™</sup> Lyocell, we saved over 16.5 million MJs of energy, over 2.51 billion liters of water and over 3.49 million lbs. of CO2 eq. emissions.

3,498,604 **GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

> 2,518,651,270 WATER SAVED (LITERS OF WATER)

16,581,069 ENERGY SAVED (MJ)

#### **BENEFITS OF LENZING<sup>™</sup> ECOVERO<sup>™</sup>**

Deckers apparel, accessories and home goods used 28,229 lbs of LENZING<sup>™</sup> ECOVERO<sup>™</sup> fiber in FY22. When comparing the impact of conventional viscose fiber usage to the same usage of LENZING<sup>™</sup> ECOVERO<sup>™</sup>, we saved over 26,341 lbs of CO2 eq. emissions, 39.7 million liters of water and 225,332 MJs of energy.

#### LENZING<sup>™</sup> ECOVERO<sup>™</sup> FIBER VS. **CONVENTIONAL VISCOSE FIBER**

26,341 **GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

> 39,796,453 WATER SAVED (LITERS OF WATER)

225,332 ENERGY SAVED (MJ)

#### **BENEFITS OF HEMP**

Hemp is an incredibly sustainable and eco-conscious Jute is a fibrous tall plant which, once harvested, gets textile. When compared to conventional cotton, hemp spun into jute fibers that create durable threads. Jute saves water, thrives in small spaces, and generally is not grows without needing much water or any chemical known to require the use of pesticides or herbicides. In fertilizers and pesticides, and needs little to no keeping with our commitment to utilize more sustainable intervention to grow and replenish. As such, jute is an materials whenever possible, Sanuk and UGG both appealing material for use in our products. continue to utilize hemp and we anticipate this usage to grow in the coming seasons.

### **RAW HEMP FIBER VS. RAW**

In FY22, we used 12,963 lbs. of Jute. When comparing **CONVENTIONAL COTTON FIBER** conventional cotton raw fiber usage to the same usage In FY22, we used 96,203 lbs. of hemp. When comparing of jute, we saved over 271,283 MJs of energy, over 355 million liters of water and over 93,292 lbs. of CO2 eq. conventional cotton raw fiber usage to the same usage of hemp, we saved over 2.0 million MJs of energy, over emissions. 2.64 billion liters of water and over 574,453 lbs. of CO2 eq. emissions, of which 115,202 lbs was sequestered.

574,453 **GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

115,202 **GREENHOUSE GAS EMISSIONS** SEQUESTERED (LBS OF CO2)

> 2,641,188,927 WATER SAVED (LITERS OF WATER)

2,017,447 ENERGY SAVED (MJ)

#### **BENEFITS OF JUTE**

#### **RAW JUTE FIBER VS. RAW CONVENTIONAL COTTON FIBER**

93,292 **GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

### 355,156,122 WATER SAVED

(LITERS OF WATER)

271,283 ENERGY SAVED (MJ)

## MATERIALS (CONTINUED)

#### DECKERS FOOTWEAR PREFERRED BOTTOM UNIT AND FOAM MATERIALS

Preferred bottom unit and foams include, but are not limited to, recycled and bio-based EVA, recycled rubber/PU, and bio-based rubber. These preferred bottom units and foams are predominantly found in our midsoles, outsole, sockliners, insoles, generic foams and molded heels. This does not include auxiliaries used to make these materials as those are performance and aesthetic characteristics that generally do not have preferred alternatives available at this time.





DECKERS FOOTWEAR PREFERRED **BOTTOM UNIT AND FOAM GROWTH** 4.28% 4.49% 4.51% 5.56% 100% 80% 60% 95.72% 95.51% 95.49% 94.449 40% 20% 0% **FY19** FY20 FY21 FY22 NON-PREFERRED • PREFERRED

#### PREFERRED EVA

#### SUGARCANE EVA AND RECYCLED EVA

Deckers is beginning to increase its utilization of SugarCane EVA and Recycled EVA.

SugarCane EVA is a preferred material because it is made using swift-growing, rainwater-fed, renewable SugarCane. Bio-based Ethanol, is extracted from the SugarCane, converted into Ethylene, which makes up part of the EVA polymer compound. Using SugarCane as a source for the Ethylene, provides a more sustainable alternative to petroleum-based, non-renewable materials often used in conventional footwear. Additionally, SugarCane captures CO2 from the atmosphere thereby sequestering carbon. For every pound of Ethanol (ethylene) derived from SugarCane, 1.6 lbs of CO2 is sequestered.

We also intend to evaluate ways to incorporate more recycled or preferred EVA into our products. We have already been using recycled post-industrial EVA waste in our products for some time and the UGG brand has committed to convert its classic franchise to SugarCane EVA bottom units. We look forward to continuing to explore further opportunities into FY23 and beyond.



FY22 DECKERS FOOTWEAR

#### DECKERS FOOTWEAR PREFERRED EVA GROWTH 3.4% 2.74% **2.71%** 3.49% 100% 80% 60% 96.6% 97.26% 97.29% 96.51% 40% 20% 0% FY19 FY20 FY22 FY21 NON-PREFERRED PREFERRED

### MATERIALS (CONTINUED)

#### PREFERRED EVA (CONTINUED)

#### DECKERS PREFERRED (SUGARCANE EVA AND RECYCLED EVA) VS. CONVENTIONAL VIRGIN EVA

In FY22, we used 796,190 lbs. of Preferred EVA (SugarCane EVA and Recycled EVA). When comparing conventional EVA usage to the same usage of Preferred EVA, we saved over 23.5 million MJs of energy, over 387 million liters of water and over 1.96 million lbs. of CO2 eq. emissions.

**1,966,384** GREENHOUSE GAS EMISSIONS SAVED (LBS OF CO2)

> **387,901,993** WATER SAVED (LITERS OF WATER)

**23,539,927** ENERGY SAVED (MJ)

#### DECKERS SPECIFIC PREFERRED SYNTHETIC, NATURAL RUBBER AND NON-EVA FOAMS

While we have made great progress in exploring preferred EVA, we recognize the need for alternative bottom unit and foam materials. These include, but are not limited to, recycled rubber/PU, and bio-based rubber. These preferred bottom units and foams are predominantly found in our midsoles, outsole, sockliners, insoles, generic foams and molded heels. This does not include auxiliaries used to make these materials as those are performance and aesthetic characteristics that generally do not have preferred alternatives available at this time.

#### DECKERS SPECIFIC PREFERRED NATURAL RUBBER

Natural rubber is obtained from latex, a milky liquid present in either the latex vessels (ducts) or in the cells of rubber producing plants. Natural rubber is used in our outsoles but can also be found in our gores and various other components. 50% of all natural rubber used in our footwear to originate from recycled sources or sources that legally harvest, source, transport, and export rubber. Deckers will not use any rubber that originates from tree plantations that were established after 1994 through conversion or simplification of natural forests.

FY22 DECKERS FOOTWEAR PREFERRED RUBBER AND OTHER FOAM BREAKDOWN



● 92.88% NON-PREFERRED ● 7.12% PREFERRED

DECKERS FOOTWEAR PREFERRED RUBBER AND OTHER FOAM GROWTH





**FY22 DECKERS FOOTWEAR PREFERRED** 

NATURAL RUBBER

92.81% VIRGIN UNCERTIFIED
 6.75% RECYCLED
 0.44% FSC FOREST STEWARDSHIP COUNSEL





## MATERIALS (CONTINUED)

#### **PREFERRED EVA** (CONTINUED)

#### **RECYCLED RUBBER** (RECYCLED SYNTHETIC AND RECYCLED NATURAL RUBBER) VS. CONVENTIONAL SYNTHETIC RUBBER

In FY22, we used 264,065 lbs. of Recycled Rubber (Recycled Synthetic Rubber and Recycled Natural Rubber). When comparing conventional synthetic rubbers usage to the same usage of recycled rubber, we saved over 10 million MJs of energy, over 174 million liters of water and over 815,189 lbs. of CO2 eq. emissions.

> 815,189 **GREENHOUSE GAS EMISSIONS** SAVED (LBS OF CO2)

> > 174,078,305 WATER SAVED (LITERS OF WATER)

**10,099,107** ENERGY SAVED (MJ)

### MATERIALS-RELATED POLICIES

#### **CONFLICT MINERALS**

Deckers is a publicly traded company registered in the US under the New York Stock Exchange. As such, we comply with the US 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 any of these prohibited locations.

#### DEFORESTATION

We are committed to be part of a solution to deforestation, not to contribute to the problem. We track a majority of hides back to their countries of origin which enables us to avoid countries that are known to contribute to deforestation. In FY22 we sourced a small amount of cattle hides from Brazil. Tanneries supplying finished leather (cattle hides) to us that originate from Brazil are required to provide a Leather Working Group audit report demonstrating a 100% traceability for hides from Brazil back to the processing facility, including the date of processing. The tannery must also obtain a certificate from the respective processing facility attesting it has 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 through invasion of indigenous and protected areas. Further, in FY22 we updated our **Ethical Sourcing** and Animal Welfare Policy to require 100% traceability to the birth farm for hides originating from certain countries. Should suppliers source from these countries, we require verified documentation identifying birth farm and that such birth farm is not located within deforested areas, involved in rural conflicts, with labor analogous to slavery or invasion of indigenous and protected areas.

#### **VEGAN PRODUCT**

We appreciate each and every one of our consumers and recognize that, just like us, our consumers have different needs, come from different backgrounds, and have different views. When using animal products, we are committed to doing so responsibly and make sure we work with partners that abide by our **Ethical Sourcing** and Animal Welfare Policy. We understand that some of our consumers prefer vegan options to best fit their lifestyle. Our PLG brands (Teva, HOKA, and Sanuk) all offer vegan friendly options and clearly identify such product on their respective websites for our consumers.

### MATERIALS (CONTINUED)

#### ANIMAL WELFARE

We do not believe in the exploitation or killing of animals solely for the purpose of their fur. To affirm our commitment, we have a strict Ethical Souring and Animal Welfare Policy affirming 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 purchase directly from those tanneries. All of the tanneries from which we purchase (with the exception of some internal components and some lifestyle products) are Leather Working Group (LWG) certified which means these tanneries adhere to strict environmental compliance expectations and traceability requirements.

#### LEATHER

Our Ethical Souring and Animal Welfare Policy allows us to use hides from cow, sheep, pig, goat and water buffalo, all of which are raised for their meat. It is important to note that the vast majority of the value of the animal goes to the meat industry. For example, in reference to skeepskin specifically, between FY19-FY22 the value of the sheepskin hide are roughly averaged to about 2% the value of the animal (data pulled from the MLA sheepskin hides database). Given the low value of the hide, historically the hide may have been disposed of inappropriately, often contaminating waterways. While we recognize that not all consumers eat meat, we do believe that consumers who do consume meat believe in doing so responsibly. By only using hides that are a byproduct of the meat industry, we are helping to ensure that the entire animal is used.

There is also a sustainability component with respect to 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 products 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. Of the wool used by the UGG brand (footwear only), only 0.06% is virgin or untraced and 99.94% is either repurposed or RWS certified wool. We continue to incorporate UGGplush™ into our footwear products, transitioning further away from virgin wool. UGGplush<sup>™</sup> is UGGpure<sup>®</sup> wool (wool harvested off our twinface sheepskin) and plant-based TENCEL<sup>™</sup> Lyocell woven into a recycled polyester backing.\* The TENCEL<sup>™</sup> Lyocell content has further reduced the need for virgin wool and all our brands are committed to either eliminating their virgin wool usage entirely or ensuring that its virgin wool is Responsible Wool Standard (RWS) certified in the near future.

We are committed to complete transparency in our use of animal products, and we hope that transparency is evident to our consumers as part of our commitment to using animal products in the most responsible way possible.

#### **BRAND-SPECIFIC SUSTAINABLE COLLECTIONS**



#### **UGG SUGARSOLE & FUZZ SUGAR TERRY**

UGG was very proud to launch its first Plant Power UGG introduced its second carbon-neutral Icon-Impact collection in FY21 and its second iteration in FY22. The Collection for Spring/Summer 2022. Thoughtfully Fluff Sugar Platform and Fluff Sugar Sandal recreate designed with the environmental footprint in mind, the look and feel of UGG's Fluff franchise using fibers the Icon-Impact Collection features three styles which like Tencel Lyocell derived from the wood pulp of trees adapt the iconic look and feel of UGG<sup>®</sup>. The Fluff Yeah grown in forests certified by the Forest Stewardship Terry, Fuzz Sugar Terry Slide, and Fuzz Sugar Terry Council and the Programme for the Endorsement of Cross Slide are crafted from low-impact materials with Forest Certification. The silhouettes feature SugarSole offsets purchased for the small number of emissions foam outsoles which replace traditional petroleumthey create - making the materials carbon neutral. based materials with SugarCane, a rainwater-dependent The syles feature a looped blend of Responsible Wool resource that removes CO2 from the atmosphere and Standard-certified wool, TENCEL<sup>™</sup> Lyocell sourced from does not require irrigation. responsibly-harvested trees, and SugarSole<sup>™</sup> outsoles made with renewable SugarCane.

#### **UGG ICON IMPACT COLLECTION**

### MATERIALS (CONTINUED)

#### BRAND-SPECIFIC SUSTAINABLE COLLECTIONS (CONTINUED)



#### **UGG REGENERATIVE COLLECTION**

UGG is committed to finding solutions that benefit the environment and lessen impact on the Earth's resources. Building on the brand's commitment last Earth Day to restore one million acres of farmland by 2025, the brand was proud to announce the Fall 2022 launch of the firstever, dual-gender Classic Mini Regenerate featuring twinface sheepskin sourced from farms that practice regenerative agriculture.

#### HOKA ANACAPA

In FY22, HOKA designed a day hiker with sustainability in mind. The Anacapa is engineered from lightweight leather certified by the Leather Working Group and employs recycled polyester in the collar, mesh and laces. The innovative styles also applies HOKA extended-heel geometry for a smooth ride on the trails. The brand continues to utilize more preferred materials in its product and is excited for what's to come in FY23.



#### **TEVA FOREVER**

Teva has continued its partnership with international Teva continued on its sustainability journey launching recycling leader TerraCycle® to give well-worn Teva the ReEmber update in Fall 2022. This earth-friendly sandals new life. Through the TevaForever Recycling remake features 100% recycled ripstop, rib knit, Program, well-loved Teva sandals can be mailed to microfiber upper and lining textiles. Delivering the TerraCycle at no cost to the customer, diverting them same warmth and indoor/outdoor versatility as its from landfills so they can be recycled into something predecessor, this quilted bootie treads lighter with a new. We are thrilled to offer this recycling program to recycled EVA and natural rubber outsole and features our consumers who we know care about the planet, and Teva RAPIDresist technology. want to do their part to help reduce landfill waste.



#### **TEVA REEMBER**

## MATERIALS (CONTINUED)

#### BRAND-SPECIFIC SUSTAINABLE COLLECTIONS (CONTINUED)



#### SANUK SUSTAINASOLE™

Sanuk continues to feature its SustainaSole styles made with grinded waste foam. The collection featured styles comprised of approximately 19-30% total recycled material by weight and other preferred materials lightening the products environmental footprint.

#### SANUK X SURFRIDER

Sanuk joined forces with longstanding partner the Surfrider Foundation, a nonprofit environmental organization dedicated to the protection and enjoyment of our ocean, waves and beaches, once again for a limited-edition ocean-inspired footwear collection. Additionally, Sanuk donated \$50,000 in 2022 to help the Surfrider Foundation fight for clean water and healthy beaches. The collection includes all-gender styles that feature soft, hemp blend lining, Soft Top Foam midsoles with 20% BLOOM™ foam made with repurposed algae, and ethically sourced leather and suede footbeds from the Leather Working Group.

#### MATERIALS AND SDGS PARTNERSHIPS

#### **RESPONSIBLE COTTON**

We understand the importance of sourcing cotton We are dedicated to animal welfare and ensuring produced in a manner that is better for the people who traceability within our supply chain. One of our valued produce it and the environment in which it grows. Our partnerships is with the LWG's Animal Welfare Group. approved suppliers, factory-sourced suppliers, licensees This Animal Welfare Group's primary objective is and agents may not source from countries or locations education around the leather value chain with respect to animal welfare related issues. The Animal Welfare which support forced labor (including manufacturing facilities and textile mills). Cotton used in our products Group continues to prioritize their efforts around must be sourced through a responsible cotton scheme traceability, slaughter protocols, assurance schemes that includes certified cotton, certified organic cotton and risk mapping. and recycled cotton.



#### LEATHER WORKING GROUP (LWG)

LWG is a multi-stakeholder group that develops and maintains protocols to assess the environmental compliance and performance capabilities of leather manufacturers. LWG promotes sustainable and appropriate environmental business practices within the leather industry. LWG is comprised 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.

#### LWG ANIMAL WELFARE GROUP

#### **RESPONSIBLE WOOL KICK START PROGRAM**

We were proud to support the Textile Exchange's Responsible Wool Kick Start Program in 2017. The Responsible Wool Kick Start Program helped smaller farming operations become responsible wool certified, thereby producing and putting more certified wool into the supply chain. We continue to utilize Responsible Wool in our products and know that our participation in this program helped contribute to industry change.

### MATERIALS (CONTINUED)

#### **MATERIALS AND SDGS PARTNERSHIPS** (CONTINUED)

#### **SOCIAL & LABOR CONVERGENCE**

We are a Social & Labor Governance Program signatory, a program that 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.

#### **TEXTILE EXCHANGE RESPONSIBLE** LEATHER ROUND TABLE

We are an active participant in The Textile Exchange Responsible Leather Round Table, a program that 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.

#### **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 anticorruption, 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 publish an annual progress report, which is this Creating Change Report. We believe that our participation and commitment to the UNGC sets us apart from other companies of our scale. This partnership has also assisted us with establishing a targeted approach to sustainability through the adoption of our Deckers SDGs.

#### SUSTAINABLE LEATHER FOUNDATION

We are a proud founder of the Sustainable Leather Foundation, an organization whose mission is to support the global leather industry in a guest to learn, to improve and to protect future generations through the People - Planet - Profit principle. The Sustainable Leather Foundation Transparency Dashboard assesses the compliance and performance of leather manufacturers and associated facilities against three pillars of sustainability within the leather value chain: Environmental, Social, Governance.



#### FOOTWEAR DISTRIBUTORS AND **RETAILERS OF AMERICA** (FDRA) SUSTAINABILITY STRATEGIC PARTNER

Deckers is proud to be a Sustainability Strategic Partner for Footwear Distributors and Retailers of America (FDRA). As a Sustainability Strategic Partner, we work together with other brands to drive change within the footwear and apparel industry.

FDRA defines shoe sustainability as shoe design, development, manufacturing, distribution, and selling processes that minimize negative environmental impacts, conserve energy and natural resources, are safe for employees, communities, and consumers, and are economically sound. We are excited to come together with other industry leaders to collaborate on reducing our collective environmental footprint.



#### **MATERIALS AND SDGS PARTNERSHIPS** MATERIALS RELATED RECOGNITION (CONTINUED)

#### CANOPY

Forests play a key role in preserving wildlife and our climate. We continue to work closely with environmental not-for-profit **Canopy** to ensure that our paper packaging and viscose fabrics do not come from the world's ancient and endangered forests. According to the UN, forest conservation could provide up to 30% of the solution to climate change because trees store carbon from the atmosphere. They are also important ecosystems to both people and animals. Without forests, communities and species can be displaced, and our climate will continue to degenerate. However, trees are being cut down at an alarming rate for materials. Our updated **Paper and Forest Procurement Policy** requires all paper, pulp, packaging and forest products, including man-made cellulosic like viscose, rayon, generic modal, and other trademark brands, to be legally harvested. sourced, transported and exported from its country of origin and prohibits sourcing from tree plantations that were established after 1994 through simplification of natural forests as that is seen as recent deforestation. Additionally, we have a goal to source 50% of all natural rubber from a recycled source or from sources that legally harvest, source, transport and export.

#### **TEXTILE EXCHANGE MATERIALS CHANGE INSIGHTS LEADERBOARD**

As a result of our strong preferred materials movement, we were featured in the Textile Exchange Materials Change Insights 2021 Leaderboard and recognized in the categories listed below:

- Overall Leader: indicating exceptional progress across the board from embedding strategy, expansion and growth in use of preferred materials, alignment with the Global Goals, and actioning circularity agendas, and
- SDG Leader: aligning work in preferred materials with the UNGC Sustainable Development Goals.

#### **UNIFI'S 2021 REPREVE® CHAMPIONS OF SUSTAINABILITY**

Deckers was once again named one of UNIFI's 2021 REPREVE<sup>®</sup> Champions of Sustainability. This award program recognizes brands that have demonstrated a commitment to a better tomorrow through the use of REPREVE recycled products. Deckers was a bottle count winner in the 10+ million to 1 billion category. Winners in this category were selected for using 10+ million to 1 billion bottle equivalent in recycled REPREVE polyester in its products. We look forward to seeing our results for 2022 consumption in FY23.

### MATERIALS (CONTINUED)

#### LIFESTYLE ASSESSMENT (LCA)

#### **DECKERS PRODUCT MATERIALS LCA**

We utilize a third-party science-based tool to conduct a lifecycle assessment of our product materials. Our approach to materials is holistic, just like our approach to sustainability. Rather than focusing on one metric, we evaluate various environmental factors including water, energy and greenhouse gas emissions. The tool allows us to compare raw materials, manufacturing and processing, and end-of-life impacts to evaluate their environmental footprint. Our tool is giving our brands the information they need to make better, more preferred, material selections in their products. Additionally, we deploy an extensive questionnaire to all of our Tier 2 suppliers on a bi-annual basis to collect our lifecycle assessment inventory data. We process this information through our tool to identify our total material, manufacturing, end-of-life, transportation and assembly impacts.

#### **GATES: UNDERSTANDING THE IMPACTS ALONG THE VALUE CHAIN**

Our LCA allows us to look at the footprint within each phase of the materials process (GHG emissions, fossil fuel, water usage, and more) of all our materials from cradle to predicted grave. This includes raw material extraction, raw material manufacturing and end-of-life.\*

Raw materials manufacturing is different from product manufacturing. Raw materials manufacturing refers to the finished goods our suppliers (Tier 2) provide us, and product manufacturing (also known as assembly) refers to the finished goods our factories produce (Tier 1) for the end consumer. Assembly impact, transportation from factory to end consumer and use are all taken into consideration for our carbon accounting/science-based target project. The experts who conducted our carbon accounting took our raw materials LCA data, with their subsidized assembly impact, downstream transportation and use data, to file our targets taking a full cradle to grave approach.

Our material LCA also allows us to break down our data by material category (e.g. closures, components, leather, midsole, outsole, packaging and labeling, sheepskin, synthetics and textile) so that we can identify which materials have the largest environmental impact that live within each material categories. These data within the materials categories represent Deckers' current categorizations as inputted by our product teams. Moving forward, as we improve our categorizations, this data will fluctuate.

We also used the information gained from our sciencebased LCA tool to develop a preferred materials guide. This guide was developed for all of our brand designers, developers, and product line managers and is intended to guide their materials choices moving forward.\*

We work closely with all our brands and our innovation and supply chain teams to continually identify additional preferred materials/compounds that we may be able to utilize in our products to help our brands achieve their long-term sustainability goals.





\*We plan to use this guide to improve our raw materials manufacturing, end-of-life impact waste reduction efforts and waste diversion efforts GATE FLOW DIAGRAM

## MATERIALS (CONTINUED)

#### **DECKERS BRANDS FOOTWEAR GATES BREAKOUT (TIER 2)**

#### **DECKERS BRANDS FOOTWEAR GHG EMISSIONS GATES**



• RAW MATERIAL GHG IMPACT (KG OF CO2/PAIR) • MANUFACTURING GHG IMPACT (KG OF CO2/PAIR) • END OF LIFE GHG IMPACT (KG OF CO2/PAIR)

MATERIAL CATEGORY	RAW MATERIAL GHG IMPACT (KG OF CO2 EQV. / PAIR)	RAW MATERIAL MANUFACTURING GHG IMPACT (KG OF CO2 EQV. / PAIR)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING GHG IMPACT (KG OF CO2 EQV. / PAIR)
CLOSURES	0.11	0.37	0.11
COMPONENTS	0.49	0.44	0.42
LEATHER	0.01	1.83	0.17
MIDSOLE	_	0.47	0.44
OUTSOLE	0.41	0.28	0.38
PACKAGING	0.48	0.91	0.39
SHEEPSKIN	0.01	1.89	0.14
SYNTHETIC	0.10	0.04	0.07
TEXTILE	0.45	2.35	0.96

#### DECKERS FOOTWEAR GHG EMISSIONS BY MATERIAL CATEGORY GATE BREAKDOWN OVER TIME (KG OF CO2 / PAIR)

MATERIAL CATEGORY	RAW MATERIAL GHG IMPACT (KG OF CO2/PAIR)	RAW MATERIAL MANUFACTURING GHG IMPACT (KG OF CO2/PAIR)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING GHG IMPACT (KG OF CO2/PAIR)	<b>TOTAL GHG IMPACT</b> (KG OF CO2/PAIR)
CLOSURES				
FY19	0.09	1.71	0.09	1.89
FY20	0.11	1.54	0.10	1.74
FY21	0.11	1.46	0.11	1.67
FY22	O.11	0.37	0.11	0.59
COMPONENTS				
FY19	0.59	1.30	0.63	2.52
FY20	0.52	1.02	0.56	2.10
FY21	0.53	0.91	0.54	1.98
FY22	0.49	0.44	0.42	1.35
LEATHER				
FY19	0.02	2.40	0.22	2.64
FY20	0.01	2.31	0.22	2.54
FY21	0.01	2.03	0.19	2.22
FY22	0.01	1.83	0.17	2.01
MIDSOLE				
FY19	0.28	0.24	0.34	0.86
FY20	0.25	0.24	0.29	0.78
FY21	0.30	0.31	0.32	0.93
FY22		0.47	0.44	0.91
OUTSOLE	0.54			
FY19	0.63	0.45	0.68	1.76
FY20	0.59	0.42	0.59	1.60
FY21	0.59	0.41	0.59	1.59
FY22	0.41	0.28	0.38	1.08
PACKAGING	0.11	0.20	0.00	
FY19	0.42	0.84	0.48	1.73
FY20	0.45	0.70	0.36	1.51
FY21	0.47	0.75	0.35	1.57
FY22	0.48	0.91	0.39	1.78
SHEEPSKIN				
FY19	0.03	2.60	0.19	2.83
FY20	0.02	2.46	0.18	2.67
FY21	0.01	2.14	0.16	2.31
FY22	0.01	1.89	0.14	2.04
SYNTHETIC				
FY19	0.07	0.08	0.06	0.21
FY20	0.10	0.08	0.08	0.26
FY21	0.09	0.05	0.06	0.20
FY22	0.10	0.04	0.07	0.20
TEXTILE	0.10	0.04	0.07	0.20
FY19	0.78	2.25	0.86	3.90
FY20	0.78	2.25	1.02	4.34
	0.57	2.74	1.02	
FY21 FY22	0.45	2.59	0.96	4.12 3.75

## MATERIALS (CONTINUED)

#### DECKERS BRANDS FOOTWEAR GATES BREAKOUT (TIER 2) (CONTINUED)

#### **DECKERS BRANDS FOOTWEAR WATER GATES**



RAW MATERIAL WATER IMPACT (LITERS/PAIR)
 MANUFACTURING WATER IMPACT (LITERS/PAIR)
 END OF LIFE WATER IMPACT (LITERS/PAIR)

MATERIAL CATEGORY	RAW MATERIAL WATER USAGE IMPACT (LITERS OF WATER / PAIR)	RAW MATERIAL MANUFACTURING WATER USAGE IMPACT (LITERS OF WATER / PAIR)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING WATER USAGE IMPACT (LITERS OF WATER / PAIR)
CLOSURES	104.49	85.71	2.39
COMPONENTS	392.58	139.96	9.38
LEATHER	1.01	665.74	3.47
MIDSOLE	381.77	133.82	10.21
OUTSOLE	199.65	77.75	8.21
PACKAGING	111.04	199.82	6.19
SHEEPSKIN	3.72	567.19	2.83
SYNTHETIC	81.63	20.27	1.52
TEXTILE	916.16	591.34	20.38

#### DECKERS FOOTWEAR WATER USAGE BY MATERIAL CATEGORY GATE BREAKDOWN OVER TIME (LITERS OF WATER/PAIR)

MATERIAL CATEGORY	RAW MATERIAL WATER USAGE IMPACT (LITERS OF WATER/PAIR)	RAW MATERIAL MANUFACTURING WATER USAGE IMPACT (LITERS OF WATER/PAIR)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING WATER USAGE IMPACT (LITERS OF WATER/PAIR)	<b>TOTAL WATER USAGE</b> IMPACT (LITERS OF WATER/PAIR)
CLOSURES				
FY19	145.85	321.75	1.84	469.42
FY20	131.70	292.79	2.03	426.52
FY21	144.32	280.23	2.24	426.78
FY22	104.49	85.71	2.39	192.59
COMPONENTS				
FY19	561.86	369.78	13.78	945.42
FY20	484.13	294.56	12.08	790.77
FY21	461.56	253.49	11.85	726.90
FY22	392.58	139.97	9.38	541.93
LEATHER				
FY19	4.10	853.03	4.50	861.63
FY20	2.15	822.66	4.36	829.18
FY21	0.17	734.90	3.83	738.89
FY22	1.01	665.74	3.47	670.22
MIDSOLE				
FY19	212.61	89.53	7.76	309.90
FY20	168.74	80.15	6.41	255.30
FY21	201.55	95.05	7.19	303.79
FY22	381.77	133.82	10.21	525.79
OUTSOLE				
FY19	336.53	133.74	14.89	485.16
FY20	316.75	115.83	13.00	445.59
FY21	323.19	111.94	12.87	447.99
FY22	199.65	77.75	8.21	285.61
PACKAGING				
FY19	207.89	206.02	7.62	421.53
FY20	106.74	170.30	5.69	282.73
FY21	103.02	182.10	5.57	290.69
FY22	111.04	199.82	6.19	317.04
SHEEPSKIN				
FY19	9.86	790.42	3.90	804.18
FY20	7.09	739.72	3.70	750.50
FY21	1.78	644.08	3.22	649.08
FY22	3.72	567.19	2.83	573.74
SYNTHETIC				
FY19	53.08	26.76	1.36	81.20
FY20	77.98	30.00	1.73	109.71
FY21	74.04	20.65	1.43	96.11
FY22	81.63	20.27	1.52	103.42
TEXTILE				
FY19	1886.82	600.40	18.24	2505.45
FY20	1747.74	704.15	21.67	2473.55
FY21	1556.19	652.75	21.40	2230.34
FY22	916.17	591.34	20.38	1527.88

## MATERIALS (CONTINUED)

#### DECKERS BRANDS FOOTWEAR GATES BREAKOUT (TIER 2) (CONTINUED)

#### **DECKERS BRANDS FOOTWEAR ENERGY GATES**



FY22 DECKERS BRANDS FOOTWEAR ENERGY USAGE

RAW MATERIAL ENERGY IMPACT (MJ/PAIR)
 RAW MATERIAL MANUFACTURING ENERGY IMPACT (MJ/PAIR)
 END OF LIFE ENERGY IMPACT (MJ/PAIR)

MATERIAL CATEGORY	<b>RAW MATERIAL</b> <b>ENERGY USAGE IMPACT</b> (MJ OF ENERGY / PAIR)	RAW MATERIAL MANUFACTURING ENERGY USAGE IMPACT (MJ OF ENERGY / PAIR)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING ENERGY USAGE IMPACT (MJ OF ENERGY / PAIR)
CLOSURES	1.43	4.20	0.04
COMPONENTS	8.85	5.24	0.16
LEATHER	0.01	23.74	0.06
MIDSOLE	13.76	6.71	0.17
OUTSOLE	10.44	4.06	0.14
PACKAGING	5.40	9.94	0.11
SHEEPSKIN	0.03	24.65	0.05
SYNTHETIC	1.63	0.51	0.03
TEXTILE	7.24	26.68	0.35

## DECKERS FOOTWEAR ENERGY USAGE BY MATERIAL CATEGORY GATE BREAKDOWN OVER TIME (MJ)

MATERIAL CATEGORY	RAW MATERIAL ENERGY USAGE IMPACT (MJ OF ENERGY/PAIR)	RAW MATERIAL MANUFACTURING ENERGY USAGE IMPACT (MJ OF ENERGY/PAIR)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING ENERGY USAGE IMPACT (MJ OF ENERGY/PAIR)	<b>TOTAL ENERGY</b> <b>USAGE IMPACT</b> (M OF ENERGY/PAIR)
CLOSURES				
FY19	1.27	19.14	0.03	20.44
FY20	1.45	17.20	0.03	18.69
FY21	1.46	16.33	0.04	17.82
FY22	1.44	4.20	0.04	5.68
COMPONENTS				
FY19	11.25	15.05	0.24	26.54
FY20	9.72	11.89	0.21	21.82
FY21	9.90	10.63	0.20	20.73
FY22	8.85	5.24	0.16	14.25
LEATHER				
FY19	0.03	31.11	0.08	31.19
FY20	0.02	29.95	0.08	30.02
FY21	0.01	26.26	0.07	26.32
FY22	0.01	23.74	0.06	23.81
MIDSOLE				
FY19	7.75	3.24	0.13	11.13
FY20	7.13	3.41	0.11	10.65
FY21	8.70	4.49	0.12	13.31
FY22	13.76	6.71	0.12	20.64
OUTSOLE	15.76	0.71	0.17	20104
FY19	16.58	6.52	0.25	23.36
FY20	15.30	6.00	0.22	21.52
FY21	15.25	5.84	0.22	21.32
FY22	10.44	4.06	0.14	14.64
PACKAGING	10.44	4.00	0.14	14.04
FY19	6.05	9.06	0.13	15.24
FY20	5.00	7.58	0.10	12.68
FY21	5.29	8.13	0.10	13.52
FY22	5.40	9.94	0.11	15.45
SHEEPSKIN	0.00	77.00	0.07	74.17
FY19	0.08	33.98	0.07	34.13
FY20	0.06	32.15	0.06	32.27
FY21	0.01	27.99	0.06	28.06
FY22	0.03	24.66	0.05	24.73
SYNTHETIC	1.07	0.00	0.00	
FY19	1.23	0.92	0.02	2.18
FY20	1.61	1.01	0.03	2.65
FY21	1.50	0.58	0.02	2.10
FY22	1.63	0.51	0.03	2.16
TEXTILE				
FY19	7.72	25.61	0.31	33.64
FY20	8.96	31.19	0.37	40.53
FY21	8.45	29.50	0.37	38.32

### MATERIALS (CONTINUED)

#### DECKERS APPAREL, ACCESSORIES AND HOME **GOODS GATES BREAKOUT** (TIER 2)

#### DECKERS APPAREL, ACCESSORIES AND HOME GOODS GHG EMISSIONS GATES

FY22 DECKERS BRANDS APPAREL, ACCESSORIES, AND HOME GOODS GHG EMISSIONS BY MATERIAL CATEGORY GATE BREAKDOWN (KG OF CO2 / LBS OF MATERIAL SOURCED)



 RAW MATERIAL GHG IMPACT (KG OF CO2/LBS OF MATERIAL)
 MANUFACTURING GHG IMPACT (KG OF CO2/LBS OF MATERIAL) • END OF LIFE GHG IMPACT (KG OF CO2/LBS OF MATERIAL)

MATERIAL CATEGORY	RAW MATERIAL GHG IMPACT (KG OF CO2 EQV. / LBS OF MATERIAL)	RAW MATERIAL MANUFACTURING GHG IMPACT (KG OF CO2 EQV. / LBS OF MATERIAL)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING GHG IMPACT (KG OF CO2 EQV. / LBS OF MATERIAL)
CLOSURES	0.01	0.04	0.01
COMPONENTS	0.04	0.13	0.04
LEATHER	0.00	0.08	0.01
PACKAGING	0.48	0.57	0.51
SHEEPSKIN	0.00	0.54	0.04
SYNTHETIC	0.02	0.02	0.01
TEXTILE	1.68	10.64	2.66

#### DECKERS APPAREL, ACCESSORIES AND HOME GOODS WATER GATES





RAW MATERIAL WATER IMPACT (LITERS/LBS OF MATERIAL)
 MANUFACTURING WATER IMPACT (LITERS/LBS OF MATERIAL)
 END OF LIFE WATER IMPACT (LITERS/LBS OF MATERIAL)

MATERIAL CATEGORY	RAW MATERIAL WATER USAGE IMPACT (LITERS / LBS OF MATERIAL)	RAW MATERIAL MANUFACTURING WATER USAGE IMPACT (LITERS / LBS OF MATERIAL)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING WATER USAGE IMPACT (LITERS / LBS OF MATERIAL)
CLOSURES	15.91	8.53	0.28
COMPONENTS	50.42	30.09	0.96
LEATHER	0.17	26.51	0.16
PACKAGING	332.67	171.55	9.27
SHEEPSKIN	1.07	162.78	0.81
SYNTHETIC	20.69	5.57	0.30
TEXTILE	5266.99	2572.38	57.11

FY22 DECKERS BRANDS APPAREL, ACCESSORIES, AND HOME GOODS WATER USAGE BY MATERIAL CATEGORY GATE BREAKDOWN (LITERS / LBS OF MATERIAL SOURCED)

## MATERIALS (CONTINUED)

#### DECKERS APPAREL, ACCESSORIES AND HOME GOODS GATES BREAKOUT (TIER 2) (CONTINUED)

#### DECKERS APPAREL, ACCESSORIES AND HOME GOODS ENERGY GATES



FY22 DECKERS BRANDS APPAREL, ACCESSORIES, AND HOME GOODS ENERGY USAGE BY MATERIAL CATEGORY GATE BREAKDOWN (MJ OF ENERGY / LBS OF MATERIAL SOURCED)

RAW MATERIAL ENERGY IMPACT (MJ/LBS OF MATERIAL)
 RAW MATERIAL MANUFACTURING ENERGY IMPACT (MJ/LBS OF MATERIAL)
 END OF LIFE ENERGY IMPACT (MJ/LBS OF MATERIAL)

MATERIAL CATEGORY	RAW MATERIAL ENERGY USAGE IMPACT (MJ OF ENERGY / LBS OF MATERIAL)	RAW MATERIAL MANUFACTURING ENERGY USAGE IMPACT (MJ OF ENERGY / LBS OF MATERIAL)	END OF LIFE RAW MATERIAL AND RAW MATERIAL MANUFACTURING ENERGY USAGE IMPACT (MJ OF ENERGY / LBS OF MATERIAL)
CLOSURES	0.19	0.49	0.00
COMPONENTS	0.67	1.49	0.02
LEATHER	0.00	1.07	0.00
PACKAGING	0.73	33.12	0.08
SHEEPSKIN	0.01	7.07	0.01
SYNTHETIC	0.35	0.19	0.01
TEXTILE	27.58	119.67	0.98



### **PACKAGING MATERIALS**

#### DECKERS PACKAGING MATERIAL BREAKDOWN AND TREES SAVED

Our mission is to design more sustainable products and utilize more preferred materials in every aspect of our products - including our packaging materials. Product packaging is an important element as it is the first part of the finished good to be disposed of by the consumer. We consider 100% of our packaging as waste because of its short lifespan and as a result, we have looked critically at the environmental impact of our packaging materials.

Packaging is a multi-functional vehicle that serves many purposes: it is used to contain and protect the contents inside the package, and serves as a critical logistical tool throughout the entire supply chain. If all of the functions the package is intended to serve are not met, we risk increasing our environmental footprint by not meeting our consumers' expectations which can lead to return shipping, added resources, and eventually, a loss of consumer loyalty.



FY22 DECKERS FOOTWEAR PACKAGING SUBSTRATE BREAKDOWN



• 2% SYNTHETIC POLYMER





PACKAGING WEIGHT USAGE BY BRAND

FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS



#### DECKERS FOOTWEAR PREFERRED PACKAGING SUBSTRATES OVER TIME

## **PACKAGING MATERIALS**

(CONTINUED)

#### DECKERS FOOTWEAR PREFERRED PACKAGING SUBSTRATES





FY22 DECKERS FOOTWEAR

#### **DECKERS APPAREL, ACCESSORIES, HOME GOODS** PREFERRED PACKAGING SUBSTRATES (CONTINUED)

DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PREFERRED PACKAGING SUBSTRATES OVER TIME



CERTIFIED AND/OR RECYCLED • VIRGIN (UNCERTIFIED)

#### **DECKERS APPAREL, ACCESSORIES, HOME GOODS PREFERRED PACKAGING SUBSTRATES**

FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PACKAGING SUBSTRATE BREAKDOWN

2.7% VIRGIN (UNCERTIFIED)



FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS CERTIFIED AND/OR RECYCLED PACKAGING



• 7% VIRGIN (UNCERTIFIED)

FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PAPER PACKAGING



85.7% RECYCLED (UNCERTIFIED) 6.6% VIRGIN (UNCERTIFIED) • 5.8% FSC FOREST STEWARDSHIP COUNSEL (RECYCLED) • 2.0% FSC FOREST STEWARDSHIP COUNSEL (VIRGIN)





#### FY22 DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PLASTIC PACKAGING

## **PACKAGING MATERIALS**

(CONTINUED)

### **DECKERS PACKAGING MATERIALS LCA**

#### GHG EMISSIONS (EQV. CO2 KG) PER PAIR CHANGE IN GHG EMISSIONS PER PAIR SINCE BASELINE YEAR DECKERS FY19 (BASELINE YEAR) 1.798 \_ FY20 1.6381 (8.90)% 1.573 FY21 (12.50)% FY22 1.6373 (8.90)% CHANGE IN WATER USE PER PAIR SINCE BASELINE YEAR DECKERS WATER USAGE (LITERS) PER PAIR FY19 (BASELINE YEAR) 438.0095 \_ FY20 307.2414 (29.90)% FY21 290.6869 (33.60)% FY22 293.3176 (33.00)% ENERGY (MJ) PER PAIR CHANGE IN ENERGY PER PAIR SINCE BASELINE YEAR DECKERS FY19 (BASELINE YEAR) 15.84 \_ FY20 13.78 (13.00)% FY21 13.52 (14.60)% 14.32 FY22 (9.60)% DUNNAGE (LBS) PER PAIR CHANGE IN DUNNAGE PER PAIR SINCE BASELINE YEAR DECKERS **FY17 BASELINE YEAR** 1.25 1.09 FY18 (12.80)% FY19 1.06 (15.20)% 0.89 FY20 (28.80)% FY21 0.94 (24.80)%

\*For reporting purposes our baseline year is FY19 with the exception of dunnage. We use FY17 as a baseline for dunnage as that directly correlates to our tree count which began FY17.

(25.60)%

0.93

#### **TREES SAVED**



	FY17 TREES SAVED	FY18 TREES SAVED	FY19 TREES SAVED	FY20 TREES SAVED	FY21 TREES SAVED	FY22 TREES SAVED	TOTAL TREES SAVED TO DATE
НОКА	37,021	55,731	74,007	117,727	174,553	343,192	802,232
KOOLABURRA	_	_	_	_	54,423	82,127	136,550
SANUK	11,169	23,798	20,085	9,712	6,498	9,452	80,714
TEVA	72,569	67,109	61,276	59,282	61,058	79,908	401,203
UGG	327,105	513,219	478,267	460,859	480,643	687,844	2,947,937
DECKERS	447,864	659,858	633,636	647,580	777,175	1,202,523	4,368,635

\*Note, this calculation is based on the Environmental Paper Network's paper calculator. https://c.environmentalpaper.org/calculate.html. Results are calculated using a combination of substrates including recycled corrugated board, tissue paper, paperboard and molded pulp. The methodology includes the forest residues left behind during pulpwood harvest in the forests (i.e., slash, roots). Forest residues are roughly 50% of biomass left after harvest. ded pulp. The methodology

FY22

#### FY17-FY22 TOTAL TREES SAVED

**BRANDS TOTAL TREES SAVED** 

### **CLIMATE AND CLEAN ENERGY**



#### **CLIMATE AND CLEAN ENERGY**

REDUCE ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS THROUGHOUT OUR OPERATIONS

#### **OUR APPROACH**

The Earth's temperature is rising, threatening Earth's ecosystems and significantly impacting many people across the globe. In August 2021, the United Nations (UN) Intergovernmental Panel on Climate Change released its sixth climate assessment report. Our biggest takeaway from the report is that we must start reducing emissions at a faster pace. Taking immediate action is critical in order to try and reduce the devastating effects of climate change.

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 stores and offices, decrease our travel footprint, reduce our use of fossil fuel-based materials, decrease our emissions in line with GHG protocols, and work with our supply chain partners to reduce energy consumption.

The energy sector is the largest contributor to climate change as it produces the most GHG emissions. 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, exploring end of life opportunities, reducing our air travel, and optimizing our partnered manufacturing.

#### **FY22 EMISSIONS SUMMARY**

In FY22, we continued working with Carbon Trust, a third-party expert, to conduct our carbon accounting and have closely tracked the progress we have made towards our approved Science-Based Targets. Our approach remains the same: measure, reduce, and consider offsets. We are proud that are below our absolute target for Scope 1 and 2 emissions.

While we recognize our Scope 3 emissions have fluctuated, we attribute that largely to early procurement of inventory as a result of global supply chain challenges. We remain confident in our Scope 3 target despite these headwinds as we have seen all our brands reduce their footwear emissions per pair, since FY19 baseline year, and each are on track to meet their established physical intensity targets. We anticipate that as our purchasing cadence moderates after the global supply chain disruption in recent years, our progress against our Science-Based Targets will improve.

SCOPE	FY19 (BASELINE YEAR) (METRIC TONS CO2E)	FY20 (METRIC TONS CO2E)	FY21 (METRIC TONS CO2E)	FY22 (METRIC TONS CO2E)	<b>FY22</b> (% OF BREAKDOWN)
SCOPE 1 (EMISSIONS FROM OWNED OR CONTROLLED SOURCES)	416.67	275.87	248.82	272.90	0.02%
<b>SCOPE 2 MARKET BASED</b> (EMISSIONS FROM LEASED OFFICES, DISTRIBUTION CENTERS, SOME RETAIL STORES)	1,076.87	963.62	763.59	766.22	0.05%
SCOPE 3 (ALL OTHER EMISSIONS - SEE BELOW)	888,727.31	937,690.41	1,083,354.45	1,433,427.08	99.93%
TOTAL	890,220.85	938,929.90	1,084,366.86	1,434,466.20	100%

\*Our emissions baseline year is FY19 as it had to be a year which was not impacted by COVID-19 per SBTi. Emission factors are provided to us by Carbon Trust.

#### **SCIENCE-BASED TARGETS**

Measurement was the first step in our journey. We then wanted to challenge ourselves, hold ourselves accountable, and reduce our global GHG emissions. We have identified targets both at a parent company level and a brand level. Our parent company targets are as follows:

#### DECKERS BRANDS SBTI REDUCTION TARGETS

**Scope 1 & 2:** Reduce absolute GHG emissions by 46% by FY31 from a FY19 baseline year

Scope 3: Reduce Scope 3 GHG emissions 58% per \$m gross profit by FY31 from a FY19 baseline year

#### **EMISSIONS SUMMARY** (METRIC TONS CO2E)

#### WE INTEND TO ACHIEVE OUR SCOPE 3 TARGETS BY:

- Setting robust materials targets for each of our brands which include using more recycled, repurposed, regenerated (plant-based), renewable (bio-based), or certified preferred/natural
  - Exploring and investigating cutting edge, less impactful, technologies
  - At least 55% of footwear materials and 75% of all apparel, accessories and home good materials will be made with preferred materials
  - Environmental tracking of all supply chain partners to measure and reduce energy consumption where possible
  - Improve textile manufacturing, dyeing, and finishing impact including the use of greige materials
  - Incorporate longevity tactics into our products by integrating physical performance criteria, silhouette, and color ecology to improve end-of-life
  - Ensure our brands have waste diversion and waste reduction targets
  - Drive consumers toward preferred shipping methods
  - Reduce overall employee travel

## CLIMATE AND CLEAN ENERGY (CONTINUED)

### **SCIENCE BASED TARGETS SCOPE 1 & 2 EMISSIONS**

DECKERS BRANDS	SBTI REDUCTION TARGETS	FY19	FY20	FY21	FY22	STATUS
SCOPE1&2 (MARKET BASED)	GHG EMISSIONS BY 46% BY FY31 FROM A FY19 BASELINE	BASELINE YEAR	-17.01%	-32.21%	-30.43%	ON TRACK



#### **SCIENCE BASED TARGETS SCOPE 3 EMISSIONS**

DECKERS BRANDS	SBTI REDUCTION TARGETS	FY19	FY20	FY21	FY22	STATUS
SCOPE 3	REDUCE SCOPE 3 GHG EMISSIONS 58% PER \$M GROSS PROFIT BY FY31 FROM A FY19 BASELINE YEAR	BASELINE YEAR	-0.59%	-7.75%	4.33%	IN PROGRESS - TARGET ACHIEVABLE

SCOPE 3 ECONOMIC INTENSITY PROGRESS FROM BASELINE YEAR (FY19)



\*We attribute the increase in FY22 largely to early procurement of inventory as a result of global supply chain challenges. We remain confident in our Scope 3 target despite these headwinds as we have seen all our brands reduce their footwear emissions per pair, since FY19 baseline year, and each are on track to meet their established physical intensity targets. We anticipate that as our purchasing cadence moderates after the global supply chain challenges in recent years, our progress against our Science-Based Targets will improve.

### SCIENCE BASED TARGETS SCOPE 3 EMISSIONS BY CATEGORY

SCOPE 3 EMISSIONS CATGORIES	FY19 (BASELINE YEAR) EMISSIONS (METRIC TONS CO2 EQV.)	FY20 EMISSIONS (METRIC TONS CO2 EQV.)	FY21 EMISSIONS (METRIC TONS CO2 EQV.)	FY22 EMISSIONS (METRIC TONS CO2 EQV.)	FY22 % BREAKDOWN (% OF WHOLE)
1A. PURCHASED GOODS AND SERVICES (PRODUCT)	730,730.37	773,427.27	910,448.01	1,139,011.16	79.46%
1A: PURCHASED GOODS AND SERVICES (PRODUCT) - RAISING OF ANIMAL	42,283.72	56,002.61	54,349.03	79,152.04	5.52%
1B: PURCHASED GOODS AND SERVICES (NON-PRODUCT)	784.19	2,528.81	3,040.47	4,374.33	0.31%
2. CAPITAL GOODS	13,056.93	16,655.71	16,838.62	46,415.91	3.24%
3. FUEL AND ENERGY RELATED ACTIVITIES	364.74	227.58	169.57	207.32	0.01%
4. UPSTREAM TRANSPORTATION & DISTRIBUTION	32,880.08	29,428.35	28,515.59	72,309.38	5.04%
5. WASTE GENERATED IN OPERATIONS	1,236.73	1,299.09	5,421.25	6,362.86	0.44%
6. BUSINESS TRAVEL	4,548.58	5,583.58	243.41	1,573.94	0.11%
7. EMPLOYEE COMMUTING	5,989.92	6,218.95	4,217.28	4,197.50	0.29%
8. UPSTREAM LEASED ASSETS	12,648.98	7,255.51	11,543.96	7,660.98	0.53%
9. DOWNSTREAM TRANSPORTATION & DISTRIBUTION	25,851.71	26,013.26	28,015.46	43,870.63	3.06%
10. PROCESSING OF SOLD PRODUCTS	0	0	0	0	0 %
11. USE OF SOLD PRODUCTS	7,640.09	2,826.85	9,252.75	11,463.29	0.80%
12. END-OF-LIFE TREATMENT OF SOLD PRODUCTS	10,711.27	10,222.86	11,299.05	16,827.76	1.17%
13. DOWNSTREAM LEASED ASSETS	0	0	0	0	0 %
14. FRANCHISES	0	0	0	0	0 %
15. INVESTMENTS	0	0	0	0	0 %
TOTAL SCOPE 3 EMISSIONS	888,727.31	937,690.43	1,083,354.45	1,433,427.10	100%

## **CLIMATE AND** CLEAN ENERGY (CONTINUED)

#### **PHYSICAL INTENSITY BY BRAND**

#### **BRAND-SPECIFIC PHYSICAL INTENSITY TARGETS AND PROGRESS** (GHG EMISSIONS)

BRAND	PHYSICAL INTENSITY REDUCTION TARGETS	FY	GHG EMISSIONS (EQV. CO2 KG) PER PAIR	CHANGE FROM BASELINE YEAR	STATUS
		FY19	20.65	_	On Tee de
	UGG footwear to reduce GHG	FY20	19.31	(6.49)%	
	emissions by 40% per pair by - 2030	FY21	17.62	(14.68)%	On Track
		FY22	14.13	(31.60)%	
		FY19	14.28	_	
	HOKA footwear to reduce GHG	FY20	15.42	7.94%	
	emissions by 20% per pair by 2030	FY21	14.71	2.98%	On Track
	FY22	11.93	(16.47)%		
	Teva footwear to reduce GHG	FY19	10	-	On Track
		FY20	8.69	(13.15)%	
	emissions by 35% per pair by - 2030	FY21	7.87	(21.36)%	
		FY22	7.3	(27.03)%	
		FY19	7.06	_	
	Sanuk footwear to reduce GHG	FY20	6.52	(7.68)%	
sanük	emissions by 40% per pair by - 2030	FY21	5.98	(15.34)%	On Track
		FY22	4.99	(29.36)%	
		FY19	20.05	_	
<b>)</b>	Koolaburra footwear to reduce	FY20	15.85	(20.91)%	
KOOLABURRA	GHG emissions by 35% per pair - by 2030	FY21	14.88	(25.78)%	On Track
	-	FY22	16.56	(17.40)%	

#### **DECKERS BRANDS GHG EMISSIONS PHYSICAL INTENSITY**





**BRANDS AND FISCAL YEARS** 

\*Note, we filed economic intensity targets with SBTi - the above showcases our internal targets that the brands have adopted.

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● FY19 ● FY20 ● FY21 ● FY22

#### DECKERS BRANDS AND BRAND SPECIFIC FOOTWEAR PACKAGING GHG EMISSIONS (EQ. KG CO2) / PER PAIR

• FY19 • FY20 • FY21 • FY22

### CLIMATE AND CLEAN ENERGY (CONTINUED)

#### **REGENERATIVE FARMING**

Regenerative agriculture is a conservation and rehabilitation approach for the food and farming systems. It focuses on topsoil regeneration, increasing biodiversity and improving the water cycle, enhancing ecosystem services, and supporting biosequestration. Healthy soil means thriving biodiversity and increased opportunity for carbon sequestration. That is why we believe supporting regenerative agriculture is a way to combat human driven climate change.

To date, UGG has helped convert over 200,000 acres of land, with a goal of 1 million acres by 2025, through regenerative farming practices with the Savory Institute. The Savory Institute's Land to Market<sup>™</sup> program is the world's first verified regenerative sourcing solution for meat, dairy, wool and leather. In Fall 2022, UGG will debut its first-ever Classic style featuring sheepskin sourced from farms that practice regenerative agriculture.

Ecological outcome verification (EOV), developed in collaboration with leading scientists and researchers around the world, is an empirical and scalable soil and landscape assessment methodology that tracks outcomes in soil health, biodiversity and ecosystem function.

Our vision is to support the evolution of the Australian sheep farming industry, where the vast majority of our sheepskin for UGG is sourced. Our hope is that this commitment will also allow regenerative sheepskin to reach the scale needed for use in our products.

#### **CORPORATE TRAVEL EMISSIONS**

#### **ALTERNATIVE COMMUTE PROGRAM**

We encourage our employees to participate in our Protecting Blue Whales and Blue Skies Program: Vessel Speed Reduction alternative commute program (e.g. bus, carpool, etc.). Employees who take advantage of this program are We recognize that we make products intended compensated \$1 per trip. In FY22, given the continued for consumers all over the globe. With that comes challenges of COVID-19, our offices, like many others, transportation and logistics which can be environmentally allowed employees to continue working remotely. As taxing. We are committed to using shipping carriers that such, we are not reporting savings from our alternative participate in the Protecting Blue Whales and Blue Skies commute program as most of our employees were not Program Vessel Speed Reduction Initiative. commuting.

#### **EMPLOYEE TRAVEL RELATED EMISSIONS**

We monitor global employee business-related travel air pollution and increased protection of the endangered emissions. In FY22, our global employees air travel blue, humpback, and fin whales. emitted 1,889,484.70 lbs of CO2 eq. or 944.74 US tons. While this is a significant increase when compared to Shipping companies participating in the program receive FY21, the reality was our employees were not traveling recognition and financial awards based on the distance in FY21 due to the pandemic and travel restrictions. In traveled by their vessels at 10 knots or less in waters off the FY22, we saw employee travel pick up again but it is San Francisco Bay Area and southern California, including still lower when compared to our FY20 baseline year. the Santa Barbara Channel - not far from Deckers' HQ. In FY22, we also included additional travel related Reducing speed in and around these densely populated emissions, including hotel and train, for more holistic regions and whale rich waters decreases the likelihood of reporting. ships fatally striking whales while also decreasing regional greenhouse gas emissions and on-shore air pollution.

#### EMPLOYEE TRAVEL RELATED EMISSIONS FY22

METHOD OF TRAVEL/ SOURCE OF EMISSION	LBS OF CO2
TRAIN	4,642
HOTEL	82,265
AIR	1,802,578
TOTAL	1,889,485

#### SHIPPING CARRIER EMISSIONS

The initiative works with shipping companies to slow down vessels, when traveling short journeys through protected areas which leads to numerous benefits, including reduced air pollution and increased protection of the endangered blue, humpback, and fin whales.

The majority of our carriers participate in this impactful program. By slowing down their ships our carriers have reduced lowered their noise, lessened the risk of lethal ship strikes on whales, and reduced their overall CO2e emissions and NOx emissions.

### CLIMATE AND CLEAN ENERGY (CONTINUED)

### **CORPORATE OFFICE ENERGY USE** (KWH/SQFT FOR FY22)

#### **ELECTRICITY USAGE**

#### **CORPORATE OFFICES**

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 four buildings that house employees during working hours.

Our corporate headquarters also utilizes 100% LED lighting which reduces our carbon footprint, saves energy, and reduces waste as it decreases the frequency of replacing bulbs when compared to regular bulbs.

We are thrilled to announce that as of October 2021 our corporate HQ is 100% renewable. Our remaining electric energy consumption is sourced via clean and renewable sources. Another positive step in our sustainability journey.



#### CORPORATE HQ SOLAR ELECTRIC ENERGY BREAKDOWN

	SOLAR KW	ELECTRIC KW	TOTAL KW
FY20	568,381	1,328,751	1,897,133
FY20 % SPLIT	29.96%	70.04%	100%
FY21	506,573	1,041,129	1,547,702
FY21 % SPLIT	32.70%	67.30%	100%
FY22	497,510	1,114,081	1,611,591
FY22 % SPLIT	30.87%	69.31%	100%

#### **DISTRIBUTION CENTERS**

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.

#### DISTRIBUTION CENTER SOLAR ELECTRIC ENERGY BREAKDOWN

	SOLAR KW	ELECTRIC KW	TOTAL KW
FY20	1,008,276	7,123,952	8,132,288
FY20 % SPLIT	12%	88%	100%
FY21	1,315,752	7,479,588	8,795,340
FY21 % SPLIT	15%	85%	100%
FY22	8,505	10,006,913	10,015,418
FY22 % SPLIT	0.085%	99.92%	100%

In FY22, we also opened a new LEED certified Gold Distribution Center in Indiana. This facility does not currently utilize solar at this time, but electricity consumption is noted below.

#### MIDWEST DISTRIBUTION CENTER ENERGY USE

	ELECTRIC KW
FY22	1,090,384.13
FY22 % SPLIT	0%

\*Note, our Midwest DC was opened in FY22. Our first billing cycle was August 2021.

OFFICES	<b>TOTAL</b> (KWH)	<b>KWH/SQFT</b> (YEAR)	KWH/SQFT (DAY)
CORPORATE HQ BUILDING 1	361,467	8.39	0.02
CORPORATE HQ BUILDING 2	250,796	3.33	0.009
CORPORATE HQ BUILDING 3	31,006	0.83	0.002
CORPORATE HQ BUILDING 4	406,301	13.55	0.037
CORPORATE HQ PARKING LOT LIGHTS	64,511	n/a	n/a
FLAGSTAFF OFFICE	50,240	6.80	0.018
DECKERS EUROPE LIMITED (OFFICE)	235,676	8.08	0.02
DECKERS BENELUX B.V. (OFFICE)	39,374	4.84	0.01
DECKERS GERMANY GMBH (SHOWROOM)	960,100	127.60	0.34
DECKERS GERMANY GMBH (OFFICE)	2,324.80	0.35	0.0009
DECKERS OUTDOOR INTERNATIONAL LIMITED	29,340	6.75	0.018
DECKERS FOOTWEAR (SHANGHAI) CO., LTD.	124,669	5.10	0.01
DECKERS OUTDOOR (GUANGZHOU) CONSULTING CO., LTD.	294,644	11.14	0.03
DECKERS OUTDOOR (GUANGZHOU) CONSULTING CO., LTD. (VIETNAM REPRESENTATIVE OFFICE)	22,100	4.66	0.01
	14,150	2.73	0.007
DECKERS JAPAN G.K.	38,609	8.28	0.02
	14,347	2.83	0.007
DECKERS MACAU LIMITED	8,728	7.51	0.02
TOTAL	2,948,383	222.85	0.6419

\*Note, we are unable to obtain energy data for our Broomfield call center location as it is a shared space and not sub-metered. Further, while the above only shows some of our offices, all were accounted for in our SBTi science-based targets.

## CLIMATE AND CLEAN ENERGY (CONTINUED)

### ELECTRICITY USAGE (CONTINUED)

#### **RETAIL STORE LOCATIONS**

In FY22, we continued tracking energy usage at the US retail store locations where we are responsible for utility invoices. Some US 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, but all were accounted for in our science-based targets.

STORE NAME - US LOCATIONS	SQ FOOTAGE	TOTAL (KWH)	KWH/SQFT (FISCAL YEAR)
5TH AVENUE	12,843	84,040	6.54
ALBERTVILLE PREMIUM OUTLETS	2,560	32,281	12.61
CABAZON PREMIUM OUTLETS	4,000	59,655	14.91
CAMARILLO PREMIUM OUTLETS	3,116	42,670	13.69
CHICAGO PREMIUM OUTLETS	3,600	51,490	14.3
CITADEL OUTLETS	2,982	62,457	20.94
CLINTON CROSSING	3,523	16,389	4.65
DEER PARK	2,953	45,768	15.5
DISNEY SPRINGS	4,398	211,217	48.03
FASHION OUTLETS OF CHICAGO	2,162	35,891	16.6
FASHION SHOW MALL	2,666	18,875	7.08
FASHION VALLEY	3,176	46,341	14.59
GARDEN STATE PLAZA	3,578	38,157	10.66
GREAT MALL	3,023	29,338	9.7
HONOLULU	9,019	147,024	16.3
JERSEY SHORE	5,245	89,477	17.06
KING OF PRUSSIA	2,890	150,103	51.94
LAS VEGAS NORTH PREMIUM OUTLETS	5,000	88,109	17.62
LEESBURG PREMIUM OUTLETS	2,500	32,652	13.06
LENOX SQUARE	2,383	77,806	32.65
MICHIGAN AVENUE	7,403	264,840	35.77
NATIONAL HARBOR OUTLETS	3,972	12,769	3.21
NORTHPARK CENTER	3,096	40,018	12.93
ORLANDO PREMIUM OUTLETS - VINELAND AVE	5,000	95,167	19.03
PLEASANT PRAIRIE PREMIUM OUTLETS	5,131	64,260	12.52
POWELL STREET	4,575	71,364	15.6

STORE NAME - US LOCATIONS	SQ FOOTAGE	TOTAL (KWH)	KWH/SQFT (FISCAL YEAR)	
RIVERHEAD	3,000	1,827	0.61	
SAN FRANCISCO PREMIUM OUTLETS	3,400	40,068	11.78	
SANUK DISNEY SPRINGS	1,113	34,488	30.99	
SAWGRASS MILLS	4,462	140,028	31.38	
SEATTLE PREMIUM OUTLETS	2,997	40,422	13.49	
ѕоно	3,000	66,636	22.21	
SOUTH COAST PLAZA	3,426	48,476	14.15	
THE WESTCHESTER	2,895	67,575.2	23.34	
VENTURA	7,900	72,411	9.17	
WOODBURY COMMONS	4,445	82,268	18.51	
WORLD TRADE CENTER	3,849	38,681	10.05	
WRENTHAM	3,485	16,678.06	4.79	
STORE NAME - APAC LOCATIONS	SQ FOOTAGE	TOTAL (KWH)	KWH/SQFT (FISCAL YEAR)	
CHELSEA SANO - DAIKO	7900	72,411	9.17	
GOTEMBA	2,141	15,399	7.19	
RUMA SAITAMA	1,880	12,372	6.58	
KISARAZU	2,024	25,537	12.62	
KITA HIROSHIMA - DAIKO	1,611	19,253	11.95	
KOBE KYORYUCHI	3,221	58,315	18.11	
KOBE SANDA - DAIKO	1,792	12,687	7.08	
MID TOWN ROPPONGI - BOUTIQUE	1,238	14,579	11.78	
MITSUI OUTLET PARK JAZZ DREAM NAGASHIMA - DAIKO	2,050	13,472	6.57	
OSAKA - BOUTIQUE	4,846	79,622.4	16.43	
RINKU PREMIUM	1,792	21,328.9	11.90	
SAPPORO	7,075	348,392	49.24	
SHANGHAI GRAND GATEWAY	1,313	22,284	16.97	
SHANGHAI IAPM	1,453	16,504	11.36	
SHIGA RYUO - DAIKO	1,894	13,376.55	7.06	
SHISUI PREMIUM - DAIKO	2,088	12,897	6.18	
TSUJIDO - BOUTIQUE	1,023	23,210.53	22.69	
STORE NAME - CANADA LOCATIONS	SQ FOOTAGE	TOTAL (KWH)	KWH/SQFT (FISCAL YEAR)	
MCARTHUR GLEN DESIGNER OUTLETS	7,900	72,411	9.17	
STORE NAME - EMEA LOCATIONS	SQ FOOTAGE	TOTAL (KWH)	KWH/SQFT (FISCAL YEAR)	
LE MARAIS	7,900	72,411	9.17	
LE VALLEE	2,872	47,196	16.43	
SAINT GERMAIN	2,777	36,759	13.24	
TOTAL ALL		3,492,536.64	955.62	

\*We have approximately 153 global retail stores. Note, while the above only shows some of our retail stores, all were accounted for in our SBTi sciencebased targets.

### **CLIMATE AND CLEAN ENERGY** (CONTINUED)

#### **ELECTRICITY USAGE** (CONTINUED)

#### **NEW YORK FLAGSHIP STORE**

Built to reflect the brands evolution from the iconic Classic boot to a full lifestyle brand that offers an expansive collection of footwear, ready-to-wear apparel, accessories and home, the multi-level, 12,842 square foot store reflects and reimagines the brands' California roots. UGG<sup>®</sup> has always been an emotional brand because of the way it makes you feel, and we want our consumers to feel good about their purchase. That is why we made sure that this store, in the heart of New York, is also a LEED certified silver building.

#### SUPPLY CHAIN ENERGY CONSUMPTION

In FY22, we saw an increase in energy consumption at Tier 1 footwear factories, Tier 2 bottom suppliers, and category C tannery partners. Category D and F tannery partners saw decreases their energy consumption. Our partners who saw an increase in energy consumption cited increased production, to accommodate for shipping or COVID related delays, as the primary reason for increased energy consumption. In FY23, we intend to continue to work with our supply chain partners to reduce their energy consumption by 10% (Tier 1) and 5% (Tier 2).



	TIER 1 FOOTWEAR FACTORIES	TIER 2 BOTTOM SUPPLIERS				
FY22 TARGET	Reduce energy consumption among T1 partners by 10% and T2 bottom partners by 5%					
STATUS	Х	Х				
FY19	2.90 Kwhe/pair	0.82 Kwhe/pair				
FY19 FACILITIES MONITORED	13	6				
FY20	2.03 Kwhe/pair	2.64 Kwhe/pair				
FY20 FACILITIES MONITORED	14	8				
FY21	1.76 Kwhe/pair	2.70 Kwhe/pair				
FY21 FACILITIES MONITORED	14	7				
FY22	1.88 Kwhe/pair	3.26 Kwhe/pair				
FY22 FACILITIES MONITORED	15	7				

	<b>C</b> RAW HIDE/SKIN TO FINISHED LEATHER)	<b>D</b> TANNED HIDE/SKIN TO FINISHED LEATHER	<b>F</b> TANNED HIDE/SKIN TO CRUST LEATHER				
FY22 TARGET		All tanneries are Leather Working Group Certified Gold <i>(highest rating)</i> . Our goal is to continue monitoring them so that they maintain their Gold level rating and maintain industry best practices.					
STATUS	Х	$\checkmark$	$\checkmark$				
FY20	32.96 MJm2	23.24 MJm2	19.55 MJm2				
FY20 FACILITIES MONITORED	2	6	1				
FY21	34.29 MJm2	20.84 MJm2	69.07 MJm2				
FY21 FACILITIES MONITORED	2	5	1				
FY22	37.07 MJm2	20.12 MJm2	17.99 MJm2				
FY22 FACILITIES MONITORED	2	5	1				

\*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.

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	-	C - 1	12.53		-	

## **CLIMATE AND** CLEAN ENERGY (CONTINUED)

#### **BRAND-SPECIFIC ENERGY USAGE TARGETS AND PROGRESS**

Over 99% of our overall footprint occurs at Scope 3. Our brands play a significant role in our overall energy usage. Our brands are committed to reducing energy usage on a per pair basis. Below outlines our brands cumulative reduction per pair from baseline year (FY19).

#### FY22 BRAND-SPECIFIC PHYSICAL INTENSITY TARGETS AND PROGRESS (ENERGY USAGE)

BRAND	PHYSICAL INTENSITY REDUCTION TARGETS	FY	ENERGY (MJ) PER PAIR	CUMULATIVE CHANGE	STATUS
		FY19	226.89	_	
	UGG footwear to reduce	FY20	216.61	(4.53)%	- 
CG3	Energy Usage by 35% per — pair by 2030	FY21	197.67	(12.88)%	On Track
		FY22	158.56	(30.12)%	-
	_	FY19	156.61	—	
	HOKA footwear to reduce	FY20	167.03	6.65%	
<b>HSKA</b> .	Energy Usage by 25% per — pair by 2030	FY21	162.2	3.57%	- On Track
		FY22	133.78	(14.58)%	-
	– Teva footwear to reduce Energy Usage by 30% per – pair by 2030	FY19	112.32	-	On Track
Tac		FY20	97.25	(13.41)%	
Teva.		FY21	88.29	(21.39)%	
		FY22	84.09	(25.13)%	
	_	FY19	74.44	—	
sanük	Sanuk footwear to reduce Energy Usage by 40% per — pair by 2030	FY20	69.35	(6.84)%	Op Track
sanuk		FY21	65.51	(12.00)%	On Track
		FY22	54.57	(26.70)%	
		FY19	227.28	-	
	Koolaburra footwear to reduce Energy Usage by 35% per —	FY20	175.05	(22.98)%	- On Track
BY UGS®	pair by 2030	FY21	170.38	(25.03)%	
	_	FY22	186.22	(18.07)%	

#### **ENERGY METRICS**

#### **DECKERS BRANDS ENERGY CONSUMPTION**

DECKERS FOOTWEAR ENERGY USAGE (MJ)



#### **ENERGY INTENSITY PER POUND OF RAW MATERIAL SOURCED**

DECKERS ENERGY INTENSITY BREAKDOWN	FY19	FY20	FY21	FY22
CO2 EMISSIONS (KG OF CO2)	888,727,312.57	937,690,410.08	1,083,354,446.87	1,433,427,079.26
TOTAL KWH	622,899,375	657,217,081	759,311,432	1,004,673,559
TOTAL LBS OF MATERIAL SOURCED	104,496,776	104,201,932	116,836,207	183,147,922
KWH / LBS OF MATERIAL SOURCED	5.961	6.307	6.499	5.486

\*The national weighted average carbon dioxide marginal emission rate for delivered electricity in 2019 was 1,562.4 lbs CO2 per megawatt-hour, which accounts for losses during transmission and distribution (EPA 2020). 1,562.4 lbs CO2 per megawatt-hour = 0.708892 kg CO2 per KWH \*CO2 emissions includes Scope 1 & 2 (Market-based) and Scope 3 total emissions

#### DECKERS FOOTWEAR PACKAGING ENERGY USAGE (MJ) PER LBS OF MATERIAL SOURCED

### **CLIMATE AND** CLEAN ENERGY (CONTINUED)

#### **ENERGY METRICS** (CONTINUED)

300 ENERGY USAGE (MJ) / PER PAIR OVER TIME 6.89 200 61 250 22( 216. 197.67 182.63 175.05 78.17 167.03 68.00 C 156.61 200 40.18 62. 58. 8 150 112. 97.25 88.29 4.09 69.35 100 65.51 4.57 44 50 0 UGG нока TEVA SANUK KOOLABURRA DECKERS BRANDS BRANDS AND FISCAL YEARS

DECKERS BRANDS AND BRAND SPECIFIC FOOTWEAR ENERGY USAGE (MJ) / PER PAIR

● FY19 ● FY20 ● FY21 ● FY22





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### DECKERS BRANDS AND BRAND SPECIFIC FOOTWEAR PACKAGING ENERGY USAGE (MJ) / PER PAIR

#### Q GRI 103-1 103-2 103-3 303-1 303-3

SASB CG-AA-430a.1 CG-AA-430a.2

#### ENVIRONMENT

# 

#### WATER

REDUCE WATER CONSUMPTION AND IMPROVE WATER QUALITY

#### **OUR APPROACH**

Of all the water on Earth, more than 99% is unusable by humans - only about 0.3 percent of our fresh water is found in the surface water of lakes, rivers and swamps. That number is astounding and further drives us to do our part to find solutions and be creative with water usage in order to promote resiliency. Our water strategy includes tracking and monitoring, reduction targets and increased water recycling. In the future we intend to support various water projects focused on providing reliable, ongoing water and sanitation services to our global communities.

#### **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 when compared to conventional fixtures. 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. We continue to track water usage at our corporate HQ, and while we don't expect these numbers to reduce significantly (given the measures we already implemented to reduce water usage), we have seen a reduction from our baseline year of 2019.

#### CORPORATE HEADQUARTERS WATER USAGE (IN GALLONS)

, , ,	
2019	36,018.7
2020	31,186.3
2021	34,829.3
2022	27,872

\*27,872 gallons is approximately 0.106 Megaliters

#### **SUPPLY CHAIN WATER USAGE EFFORTS**

Understanding that our largest environmental impact occurs at the raw material level, we continued to monitor 30 of our supply chain partners (15 of our Tier 1 factory partners and 15 of our Tier 2 partners) compared to 29 partners in FY21. 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.

Our target is to reduce our water usage among Tier 1 partners by 15% and among Tier 2 by 5%. In FY22, we unfortunately saw a minor increase in water usage at both Tier 1 factory partners, Tier 2 bottom suppliers, and Category C tanneries. The minor increase could be attributed to increased production, to accommodate for shipping or COVID related delays, as the primary reason for increased water usage. Our Category D and F tanneries did reduce their water usage significantly from FY21 to FY22. Our partners share in our vision to minimize water consumption and we are excited to continue working with them to reach these goals.

	FOOTWEAR FACTORIES	BOTTOM SUPPLIERS
TARGET	Reduce water usage amo Reduce water usage among	
STATUS	X	Х
FY19	16.58 L/pair	1.72 L/pair
FY19 FACILITIES MONITORED	13	6
FY20	15.91 L/pair	3.79 L/pair
FY20 FACILITIES MONITORED	14	8
FY21	11.38 L/pair	4.59 L/pair
FY21 FACILITIES MONITORED	14	7
FY22	11.66 L/pair	5.94 L/pair
FY22 FACILITIES MONITORED	15	7

-	<b>C</b> RAW HIDE/SKIN TO FINISHED LEATHER	<b>D</b> TANNED HIDE/SKIN TO FINISHED LEATHER	<b>F</b> TANNED HIDE/SKIN TO CRUST LEATHER				
TARGET	Our goal is	All tanneries are Leather Working Group Certified Gold ( <i>highest rating</i> ). Our goal is to continue monitoring tanneries so that they maintain their gold level rating and maintain industry best practices.					
STATUS	Х	$\checkmark$	$\checkmark$				
FY20	172.18 LTR/M <sup>2</sup>	63.77 LTR/M <sup>2</sup>	37.92 LTR/M <sup>2</sup>				
FY20 FACILITIES MONITORED	2	6	1				
FY21	151.77 LTR/M <sup>2</sup>	74.41 LTR/M <sup>2</sup>	47.89 LTR/M <sup>2</sup>				
FY21 FACILITIES MONITORED	2	5	1				
FY22	171.77 LTR/M <sup>2</sup>	58.89 LTR/M <sup>2</sup>	32.77 LTR/M <sup>2</sup>				
FY22 FACILITIES MONITORED	2	5	1				

\*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.

SASB CG-AA-430a.1 CG-AA-430a.2

#### TIER 1 FOOTWEAR FACTORIES AND TIER 2 BOTTOM SUPPLIERS

#### TIER 1 FOOTWEAR FACTORIES

#### TIER 2 BOTTOM SUPPLIERS

SASB CG-AA-430a.1 CG-AA-430a.2

#### ENVIRONMENT

WATER

### BRAND-SPECIFIC WATER LCA METRICS AND PROGRESS

Our brands are committed to reducing water usage on a per pair basis. The table below outlines our brands cumulative reduction per pair from baseline year (FY19).

#### SUPPLY CHAIN WATER USAGE EFFORTS (CONTINUED)

SUPPLY CHAIN RECYCLED WATER

#### FY22 T1 AND T2 RECYCLED WATER RECORDS

FACILITY CATEGORY	FY19 (LITERS)	FY20 (LITERS)	FY21 (LITERS)	FY22 (LITERS)
TIER 1 - FOOTWEAR	134,105,000	165,328,000	160,692,000	211,281,000
TIER 2 - BOTTOM	78,340,000	37,804,000	83,277,000	94,351,250
TIER 2 - TANNERY	802,575,000	1,551,932,000	723,000,000	872,787,560
TOTAL	1,015,020,000	1,755,064,000	966,969,000	1,178,419,810

\*Data pulled from 15 participating footwear factories, 7 bottom suppliers, and 8 tanneries.

### **BRAND-SPECIFIC PHYSICAL INTENSITY TARGETS AND PROGRESS** (WATER USAGE)

BRAND	PHYSICAL INTENSITY REDUCTION TARGETS	FY	LITERS PER PAIR	CUMULATIVE CHANGE	STATUS
		FY19	7,956	_	– Target
	UGG footwear to reduce	FY20	7,465	(6.17)%	Achieved - FY23 and
CG3	water usage by 30% per — pair by 2030	FY21	6,740	(15.29)%	beyond target is to
		FY22	4,998	(37.19)%	maintain
		FY19	4,665	_	
	HOKA footwear to reduce	FY20	5,368	15.08%	
<b>MCNA</b> .	water usage by 20% per — pair by 2030	FY21	5,316	13.97%	- On Track -
		FY22	4,235	(9.21)%	
	– Teva footwear to reduce water usage by 45% per – pair by 2030 –	FY19	3,201	_	– On Track –
Teva		FY20	2,752	(14.01)%	
ieva.		FY21	2,187	(31.67)%	
		FY22	2,135	(33.29)%	
		FY19	4,830	-	– Target
Course the	– Sanuk footwear to reduce water usage by 30% per – pair by 2030	FY20	5,550	14.89%	Achieved - FY23 and beyond target is to
sanük		FY21	4,163	(13.81)%	
		FY22	3,261	(32.50)%	maintain
		FY19	7,130	_	_
	– Koolaburra footwear to	FY20	4,923	(30.96)%	— On Track —
	reduce water usage by — 35% by 2030 —	FY21	5,225	(26.72)%	
		FY22	5,794	(18.75)%	
WATER (CONTINUED)

# **PRODUCT AND PACKAGING WATER LCA METRICS**









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### DECKERS BRANDS AND BRAND SPECIFIC FOOTWEAR PACKAGING WATER USAGE (LITERS) / PER PAIR

• FY19 • FY20 • FY21 • FY22

### DECKERS FOOTWEAR PACKAGING WATER USAGE (LITERS) PER LBS OF MATERIAL SOURCED

# WASTE



# WASTE

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

# **OUR APPROACH**

A majority of Earth's resources are finite. The outdated take-make-waste linear system no longer works in today's world as it assumes we will always have resources to 'make'. We look at waste holistically: studying waste generation, waste diversion, end-of-life, and manufacturing/post-industrial waste.

Every year 8 million metric tons of plastic makes its way into the ocean. Furthermore, 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. We monitor waste generation and waste diversion among certain supply chain partners and organize an annual beach cleanup in APAC.

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 the end of FY23.

# **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.

Our campus café remains free of most single use plastics. Water stations are located throughout our corporate headquarters and we encourage all employees to use their gifted stainless steel water bottle and coffee mugs.

Our Vietnam, Guangzhou, Hong Kong, Shanghai and Japan offices all participate in our plastic waste reduction program and encourage employees to use their reusable water bottles. Our APAC teams take their commitment further by working directly with our supply chain partners to reduce their water bottle usage. Q GRI <u>103-1</u> <u>103-2</u> <u>103-3</u> <u>306-3</u> <u>306-4</u> SASB CG-AA-430a.2





# WASTE (CONTINUED)

# MORENO VALLEY DISTRIBUTION CENTER WASTE MITIGATION EFFORTS

Our Moreno Valley Distribution Center is a state-of theart 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 are proud to recycle about 95% of our total waste. This is a 2% increase from the 93% recycled in FY21 (meaning more was recycled). Our goal for this facility remains the same, to be a zerowaste facility by the end of FY23. We know we have some work to do and we look forward to completion of this target.

	MORENO VALLEY	MORENO VALLEY % SPLIT
FY20 TOTAL TRASH (TONS)	130	4%
FY20 TOTAL RECYCLED (TONS)	2,768	96%
FY21 TOTAL TRASH (TONS)	241	7%
FY21 TOTAL RECYCLED (TONS)	3,228	93%
FY22 TOTAL TRASH (TONS)	199	5%
FY22 TOTAL RECYCLED (TONS)	3,555	95%

# VIRTUAL BRAND CONFERENCES

The COVID-19 pandemic challenged us to shift our 'normal' and rely on technology rather than face-to-face interaction. In FY22, many of our brands continued to hold their brand conferences virtually. We are committed to utilizing available technology to create efficiencies ultimately using fewer environmental resources.





# WASTE (CONTINUED)

## **SUPPLY CHAIN WASTE GENERATION EFFORTS**

# MONITORED VS. LCA OUTREACH WASTE GENERATION

We reach out to our partners in two ways: (1) in FY22 our teams in China and Vietnam monitored fifteen of our Tier 1 factories, seven Tier 2 bottom suppliers and eight tanneries, and (2) using our LCA tool we solicit information directly from all Tier 2 suppliers. Our LCA outreach does not currently cover tanneries or Tier 1 which is why our teams monitor them independently.

# TIER 1 AND TIER 2 MONITORED FACILITIES WASTE GENERATION

In FY22 we saw an increase in waste generation at Tier 1 footwear factories, but we did see a decrease in Tier 2 bottom suppliers and Tier 2 tanneries. Our Tier 1 footwear factories cited increased production, to accommodate for related delays, as the primary reason for increased waste generation. We intend to focus our efforts here next year by setting up new road map for collecting better data and so we can work with our partners to identify opportunities to reduce waste.

# TIER 1: FOOTWEAR FACTORI Reduce waste generation TARGET by 15% among T1 partners STATUS Needs Improvement 147.58 g/pair FY19 13 **FY19 FACILITIES MONITORED** FY20 136.18 g/pair **FY20 FACILITIES MONITORED** 14 FY21 180.22 g/pair **FY21 FACILITIES MONITORED** 14 FY22 184.05 g/pair FY22 FACILITIES MONITORED 15

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### R 1 AND TIER 2 MONITORED WASTE GENERATION

IES	TIER 2: BOTTOM SUPPLIERS	TIER 2: TANNERIES
on	Reduce waste generation by 5% among T2 partners	Reduce waste generation by 5% among T2 partners
	On Track	On Track
	68.74 g/pair	97.79 g/sf
	6	6
	26.31 g/pair	69.01 g/sf
	8	9
	53.06 g/pair	123.16 g/sf
	7	8
	36.63 g/pair	106.92 g/sf
	7	8

# WASTE (CONTINUED)

# LCA SUPPLY CHAIN WASTE GENERATION STUDY

# **DECKERS BRANDS WASTE PRODUCTION MAPS**



FY22 DECKERS FOOTWEAR WASTE PRODUCTION MAP

\*Note, LIP stands for Loss in Production

	CLOSURES	COMPONENTS	LEATHER	MIDSOLE & OUTSOLE	PACKAGING	SHEEPSKIN	SYNTHETIC	TEXTILE
PRODUCT MATERIALS %	92.84%	89.58%	61.99%	87.25%	92.40%	61.41%	95.16%	93.08%
T1 LIP + DEFECTS %	1.14%	2.65%	7.20%	0.18%	0.00%	8.07%	2.89%	2.48%
<b>T2 LIP %</b>	5.63%	6.25%	30.81%	6.17%	6.74%	30.52%	1.95%	3.96%
T2 DEFECTS %	0.39%	1.53%	0.00%	6.41%	0.86%	0.00%	0.00%	0.49%

Definitions:

• Product Materials %: percentage of the product that consumer receives.

Tier 1 Loss in Production + Defects %: waste produced during the assembly process of our footwear. Loss in production being waste produced to
create final construction pieces (e.g. midsoles, vamp textile, outsole, lining) and defect % is of those final construction pieces what percentage
was defective.

• Tier 2 Loss in Production %: percentage of waste produced for all finished materials we source to be used during the assembly process

• Tier 2 Defects %: percentage defective finished materials sourced from Tier 2 suppliers.



# WASTE (CONTINUED)

# LCA SUPPLY CHAIN WASTE GENERATION STUDY

# **UGG WASTE PRODUCTION MAPS**





	CLOSURES	COMPONENTS	LEATHER	MIDSOLE & OUTSOLE	PACKAGING	SHEEPSKIN	SYNTHETIC	TEXTILE
PRODUCT MATERIALS %	92.05%	88.37%	61.98%	87.28%	93.87%	61.40%	92.86%	94.01%
T1 LIP + DEFECTS %	2.30%	3.83%	7.21%	0.02%	0.00%	8.09%	3.06%	2.78%
<b>T2 LIP</b> %	5.06%	5.80%	30.80%	5.92%	5.29%	30.51%	4.08%	3.11%
T2 DEFECTS %	0.59%	2.00%	0.00%	6.78%	0.85%	0.00%	0.00%	0.10%

	CLOSURES	COMPONENTS	LEATHER	PACKAGING	SHEEPSKIN	SYNTHETIC	TEXTILE
PRODUCT MATERIALS %	92.11%	89.46%	61.97%	96.51%	62.68%	91.28%	88.64%
T1 LOSS IN PRODUCTION + DEFECT %	2.23%	2.93%	7.23%	0.23%	6.16%	6.03%	4.75%
T2 LOSS IN PRODUCTION %	2.96%	7.57%	30.80%	3.23%	31.15%	2.69%	6.62%
TIER 2 DEFECTS %	2.70%	0.04%	0.00%	0.03%	0.00%	0.00%	0.00%

# FY22 UGG APPAREL, ACCESSORIES, AND HOME GOODS WASTE PRODUCTION MAP

# WASTE (CONTINUED)

# LCA SUPPLY CHAIN WASTE GENERATION STUDY

# HOKA WASTE PRODUCTION MAPS



• PRODUCT MATERIALS % • TIER 1 LIP + DEFECTS % • TIER 2 LIP % • TIER 2 DEFECTS %



	CLOSURES	COMPONENTS	LEATHER	MIDSOLE & OUTSOLE	PACKAGING	SYNTHETIC	TEXTILE		CLOSURES	COMPONENTS	PACKAGING	TEXTILE
PRODUCT MATERIALS %	94.2%	91.1%	61.5%	86.2%	89.8%	95.8%	92.9%	PRODUCTION MATERIALS %	88.54%	89.05%	95%	85.94%
T1 LIP + DEFECTS %	O.1%	1.3%	7.9%	0.1%	0%	2.9%	1.8%	T1 LIP + DEFECTS %	5.86%	5.06%	2.26%	5.41%
T2 LIP %	5.6%	6.7%	30.6%	6.3%	9.1%	1.3%	4.1%	<b>T2 LIP</b> %	5.07%	4.52%	2.74%	8.65%
T2 DEFECTS %	0%	0.9%	0%	7.4%	1.1%	0%	1.3%	T2 DEFECTS %	0.53%	1.37%	0%	0%

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# FY22 HOKA APPAREL AND ACCESSORIES WASTE PRODUCTION MAP

# WASTE (CONTINUED)

# LCA SUPPLY CHAIN WASTE GENERATION STUDY

# **TEVA WASTE PRODUCTION MAP**



● PRODUCT MATERIALS % ● TIER 1 LIP + DEFECTS % ● TIER 2 LIP % ● TIER 2 DEFECTS %

### MIDSOLE & CLOSURES COMPONENTS LEATHER OUTSOLE PACKAGING SYNTHETIC TEXTILE PRODUCT MATERIALS % 89.79% 90.72% 61.51% 90.18% 90.21% 94.39% 89.12% T1 LIP + 1.21% 1.29% 7.92% 0.44% 2.75% 0% 2.59% **DEFECTS** % **T2 LIP** % 7.94% 30.57% 9.63% 5.93% 4.79% 2.86% 8.28% **T2 DEFECTS %** 1.07% 2.06% 0% 4.58% 0.16% 0% 0%

# LCA SUPPLY CHAIN WASTE GENERATION STUDY

# SANUK WASTE PRODUCTION MAP



	CLOSURES	COMPONENTS	LEATHER	MIDSOLE & OUTSOLE	PACKAGING	SYNTHETIC	TEXTILE
PRODUCT MATERIALS %	89%	90.5%	61.9%	86.4%	94.1%	95%	88.4%
T1 LIP + DEFECTS %	2.4%	2.3%	7.4%	1.7%	0%	2.8%	6%
<b>T2 LIP</b> %	8.6%	6.7%	30.8%	10%	5.9%	2.1%	5.6%
T2 DEFECTS %	0%	0.5%	0%	1.8%	0%	0%	0%

# FY22 SANUK FOOTWEAR WASTE PRODUCTION MAP

• PRODUCT MATERIALS % • TIER 1 LIP + DEFECTS % • TIER 2 LIP % • TIER 2 DEFECTS %

WASTE (CONTINUED)

# LCA SUPPLY CHAIN WASTE GENERATION STUDY

# **KOOLABURRA WASTE PRODUCTION MAP**



FY22 KOOLABURRA FOOTWEAR WASTE PRODUCTION MAP

• PRODUCT MATERIALS % • TIER 1 LIP + DEFECTS % • TIER 2 LIP % • TIER 2 DEFECTS %

	CLOSURES	COMPONENTS	LEATHER	MIDSOLE & OUTSOLE	PACKAGING	SYNTHETIC	TEXTILE
PRODUCT MATERIALS %	89%	90.5%	61.9%	86.4%	94.1%	95%	88.4%
T1 LIP + DEFECTS %	2.4%	2.3%	7.4%	1.7%	0%	2.8%	6%
T2 LIP %	8.6%	6.7%	30.8%	10%	5.9%	2.1%	5.6%
T2 DEFECTS %	0%	0.5%	0%	1.8%	0%	0%	0%



WASTE (CONTINUED)

# LCA SUPPLY CHAIN WASTE GENERATION STUDY

# **BRAND-SPECIFIC WASTE METRICS** (TIER 2)



FY22 BRAND FOOTWEAR WASTE PRODUCED (LBS) PER PAIR (TIER 2)

● FY19 ● FY20 ● FY21 ● FY22



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# WASTE (CONTINUED)

# WASTE PRODUCED BY MATERIAL CATEGORY BY BRAND (TIER 2)

# UGG

UGG FOOTWEAR WASTE PRODUCED BY MATERIAL CATEGORY (LBS) PER PAIR (TIER 2)



\*Note, we do not record sheepskin and leather waste in the above as they are Tier 1 (hides are cut at the factory)

# HOKA





TEVA





\*Note, we do not record sheepskin and leather waste in the above as they are Tier 1 (hides are cut at the factory)

SANUK

# SANUK FOOTWEAR WASTE PRODUCED BY MATERIAL CATEGORY (LBS) PER PAIR (TIER 2)



\*Note, we do not record sheepskin and leather waste in the above as they are Tier 1 (hides are cut at the factory)

\*Note, we do not record sheepskin and leather waste in the above as they are Tier 1 (hides are cut at the factory)

# TEVA FOOTWEAR WASTE PRODUCED BY MATERIAL CATEGORY (LBS) PER PAIR (TIER 2)

# WASTE (CONTINUED)

# WASTE PRODUCED BY MATERIAL CATEGORY BY BRAND (TIER 2)

# KOOLABURRA

KOOLABURRA FOOTWEAR WASTE PRODUCED BY MATERIAL CATEGORY (LBS) PER PAIR (TIER 2)



● FY21 ● FY22

\*Note, we do not record sheepskin and leather waste in the above as they are Tier 1 (hides are cut at the factory)

# SPECIFIC MATERIAL CATEGORY WASTE TARGETS

# MIDSOLE AND OUTSOLE WASTE PROGRESS (TIER 2)

BRAND	WASTE REDUCTION TARGETS	FY	PROGRESS
		FY19	Baseline Year (0.093 lbs/pair)
	UGG Footwear Midsole & Outsole Waste Reduction	FY20	Maintained & Reduced Midsole & Outsole waste by 0.088 lbs/pair
GGS	Targets ( <i>Tier 2</i> ): 0.085 lbs Waste Reduction Per Pair	FY21	Maintained & Reduced Midsole & Outsole waste by 0.082 lbs/pair
		FY22	Maintained & Reduced Midsole & Outsole waste by 0.080 lbs/pair
		FY19	Baseline Year (0.134 lbs/pair)
	Hoka Footwear Midsole/ Outsole Waste Reduction	FY20	Maintained & Reduced Midsole & Outsole waste by 0.110 lbs/pair
	Targets <i>(Tier 2</i> ): 0.130 lbs Waste Reduction Per Pair	FY21	Maintained Midsole & Outsole waste by 0.120 lbs/pair
		FY22	Maintained Midsole & Outsole waste by 0.121 lbs/pair
	Teva Footwear Midsole/ Outsole Waste Reduction Targets <i>(Tier 2</i> ): 0.100 lbs Waste Reduction Per Pair	FY19	Baseline Year (0.108 lbs/pair)
TAC		FY20	Maintained & Reduced Midsole & Outsole waste by 0.088 lbs/pair
ieva.		FY21	Maintained & Reduced Midsole & Outsole waste by 0.085 lbs/pair
		FY22	Maintained Midsole & Outsole waste by 0.092 lbs/pair
		FY19	Baseline Year (0.149 lbs/pair)
	- Sanuk Footwear Midsole/ Outsole Waste Reduction	FY20	Maintained & Reduced Midsole & Outsole waste by 0.114 lbs/pair
sanük	Targets <i>(Tier 2)</i> : 0.115 lbs Waste Reduction Per Pair	FY21	Maintained Midsole & Outsole waste by 0.122 lbs/pair
		FY22	Maintained & Reduced Midsole & Outsole waste by 0.099 lbs/pair
		FY19	Target Conceptualized FY21
	Koolaburra Footwear Midsole/ Outsole Waste Reduction	FY20	Target Conceptualized FY21
	Targets ( <i>Tier 2</i> ): 0.085 lbs Waste Reduction Per Pair	FY21	Baseline Year (0.088 lbs/pair)
		FY22	Maintained & Reduced Midsole & Outsole waste by 0.083 lbs/pair

# WASTE (CONTINUED)

# UGG AND KOOLABURRA LEATHER WASTE PROGRESS (TIER 1)

<b>BRAND &amp; TARGET</b>	FY19 PROGRESS	FY20 PROGRESS	FY21 PROGRESS	FY22 PROGRESS
UGG				
UGG Footwear Leather Waste Reduction Targets: Maintain or Reduced by 0.046 lbs Waste Per Pair	FY19 Baseline Year (0.048 lbs/pair)	FY20 Maintained & Reduced Leather Waste by 0.046 Ibs/pair	FY21 Maintained & Reduced Leather Waste by 0.042 Ibs/pair	FY22 Maintained & Reduced Leather Waste by 0.035 Ibs/pair
KOOLABURRA				
Koolaburra Footwear Leather Waste Reduction Targets: Maintain or Reduced by 0.062 lbs Waste Per Pair	Target Conceptualized FY21	Target Conceptualized FY21	FY21 Baseline Year (0.066 lbs/pair)	FY22 Maintained & Reduced Leather Waste by 0.053 Ibs/pair

\*Note, the above chart shows brand-specific leather waste reduction targets and progress

BRAND & TARGET	FY19 PROGRESS	FY20 PROGRESS	FY21 PROGRESS	FY22 PROGRESS	
UGG					
UGG Footwear Sheepskin Waste Reduction Targets: Maintain or Reduced by 0.055 lbs Waste Per Pair	FY19 Baseline Year (0.054 lbs/pair)	FY20 Maintained Sheepskin Waste by 0.055 lbs/pair	FY21 Maintained & Reduced Sheepskin Waste by 0.049 Ibs/pair	FY22 Maintained & Reduced Sheepskin Waste by 0.039 Ibs/pair	
KOOLABURRA					
Koolaburra Footwear Sheepskin Waste Reduction Targets: Maintain or Reduced by 0.01 lbs Waste Per Pair	Target Conceptualized FY21	Target Conceptualized FY21	FY21 Baseline Year (0.011 lbs/pair)	FY22 Maintained & Reduced Sheepskin Waste by 0.005 Ibs/pair	



# UGG AND KOOLABURRA SHEEPSKIN WASTE PROGRESS (TIER 1)

WASTE (CONTINUED)

# **TEXTILE WASTE TARGETS AND PROGRESS**

BRAND & TARGET	FY19 PROGRESS	FY20 PROGRESS	FY21 PROGRESS	FY22 PROGRESS
UGG				
UGG Footwear Textile Waste Reduction Targets: Maintain or Reduced by 0.015 Ibs Waste Per Pair	FY19 Baseline Year (0.015 lbs/pair)	FY20 Increased Textile waste by 0.016 lbs/pair	FY21 Maintained Textile waste by 0.015 Ibs/pair	FY22 Maintained & Reduced Textile waste by 0.012 lbs/pair
НОКА				
Hoka Footwear Textile Waste Reduction Targets: Maintain or Reduced by 0.045 lbs Waste Per Pair	FY19 Baseline Year (0.042 lbs/pair)	FY20 Increased Textile waste by 0.053 lbs/pair	FY21 Maintained & Reduced Textile waste by 0.035 lbs/pair	FY22 Maintained & Reduced Textile waste by 0.022 lbs/pair
TEVA				
Teva Footwear Textile Waste Reduction Targets: Maintain or Reduced by 0.020 lbs Waste Per Pair	FY19 Baseline Year (0.020 lbs/pair)	FY20 Maintained & Reduced Textile waste by 0.020 lbs/pair	FY21 Increased Textile waste by 0.021 lbs/pair	FY22 Maintained & Reduced Textile waste by 0.017 lbs/pair
SANUK				
Sanuk Footwear Textile Waste Reduction Targets: Maintain or Reduced by 0.009 lbs Waste Per Pair	FY19 Baseline Year (0.009 lbs/pair)	FY20 Increased Textile waste by 0.010 lbs/pair	FY21 Maintained & Reduced Textile waste by 0.008 lbs/pair	FY22 Maintained Textile waste by 0.009 Ibs/pair
KOOLABURRA				
Koolaburra Footwear Textile Waste Reduction Targets: Maintain or Reduced by 0.025 lbs Waste Per Pair	Target Conceptualized FY21	Target Conceptualized FY21	FY21 Baseline Year (0.012 lbs/pair)	FY22 Increased Textile waste by 0.031 lbs/pair

\*Note, Koolaburra shows a large increase in textile waste given their significant transition from sheepskin/suede to faux fur

# PACKAGING WASTE TARGETS AND PROGRESS

BRAND & TARGET	FY19 PROGRESS	FY20 PROGRESS	FY21 PROGRESS	FY22 PROGRESS	STATUS
UGG					
UGG Footwear Packaging Waste Reduction Targets: Maintain Packaging Waste within 2%	FY19 Baseline Year Set	FY20 Maintained Packaging Waste within 2%	FY21 Maintained Packaging Waste within 2%	FY22 Maintained Packaging Waste within 2%	Target Achieved
НОКА					
Hoka Footwear Packaging Waste Reduction Targets: Maintain Packaging Waste within 2%	FY19 Footwear Baseline Set	FY20 Maintained Packaging Waste within 2%	FY21 Maintained Packaging Waste within 2%	FY22 Maintained Packaging Waste within 2%	Target Achieved
TEVA					
Teva Footwear Packaging Waste Reduction Targets: Maintain Packaging Waste within 2%	FY19 Baseline Year Set	FY20 Maintained Packaging Waste within 2%	FY21 Maintained Packaging Waste within 2%	FY22 Maintained Packaging Waste within 2%	Target Achieved
SANUK					
Sanuk Footwear Packaging Waste Reduction Targets: Maintain Packaging Waste within 2%	FY19 Baseline Year Set	FY20 Maintained Packaging Waste within 2%	FY21 Maintained Packaging Waste within 2%	FY22 Maintained Packaging Waste within 2%	Target Achieved
KOOLABURRA					
Koolaburra Footwear Packaging Waste Reduction Targets: Maintain Packaging Waste within 2%	Target Conceptualized FY21	Target Conceptualized FY21	FY21 Baseline Year Set	FY22 Maintained Packaging Waste within 2%	Target Achieved

 $\ensuremath{^*}\xspace{Note}$  , the above chart shows brand-specific packaging waste reduction targets and progress

# WASTE (CONTINUED)

# **SUPPLY CHAIN WASTE DIVERSION EFFORTS**

# **WASTE DIVERSION**

We want to know how much waste our partners produce and how that waste is diverted. We want our partners to use preferred waste diversion methods where possible. Waste diversion methods we collect data on are closed-loop recycling, post-industrial recycling, incineration with energy recovery, incineration without energy recovery, and landfill. We consider closed loop recycling and post-industrial recycling to be preferred diversion methods. Closed loop recycling is waste that is produced and then reused within a partners own operations. Post-industrial recycling is waste diverted by a third-party recycling service to be upcycled and/ or downcycled.

# TIER 1 MONITORED FACILITIES WASTE DIVERSION

In FY22, we saw a decrease in our waste diversion rate among those monitored Tier 1 factories. Our partners recognize that good environmental tracking and performance is an expectation not a request. We expect our partners to continue to increase their preferred diversion rates. We will continue to partner with our suppliers and seek opportunities to collaborate and find lasting waste management solutions.

# TIER 1 METHODS OF WASTE DISPOSAL

The 15 footwear facilities we monitored in FY22 are generally disposing their waste by: reuse and recycling, compost, incineration without energy recovery, landfill, or other methods. We recognize the need to continue evaluating new opportunities divert waste to new streams like re-use in our own products. We are committed to continuing to work with our partners to explore all available opportunities for waste diversion in FY23 and beyond.

FACILITY CATEGORY	FY22 TARGET	STATUS	FACILITIES MONITORED	FY19 DIVERSION RATE	FY20 DIVERSION RATE	FY21 DIVERSION RATE	FY22 DIVERSION RATE	
TIER 1 FOOTWEAR FACTORIES	Increase diversion rates among T1 partners by 10%	Needs Improvement	15	30.12%	27.44%	34.00%	23.09%	

\*Figures derived from 15 core footwear factories in FY22 compared to 14 in FY21. Because we are monitoring additional factories year over year we anticipate this number fluctuating but are committed to continuing to work with our partners to increase their preferred diversion efforts.



\*Waste diversion data collected from 15 monitored footwear factories. Other includes, but is not limited to, pyrolysis and anaerobic digestion.

# WASTE (CONTINUED)

# LCA SUPPLY CHAIN WASTE DIVERSION STUDY (TIER 2)

### DECKERS BRANDS PREFERRED DIVERSION OF FOOTWEAR MATERIALS SOURCED

### 100% 14.14% 85.86% **PERCENTAGE OF DIVERSION** 75% 50% 62.90% 66.54% 37.10% 33.46% 74.55% 25% 25.45% 0% FY19 FY20 FY21 FY22 NON-PREFERRED PREFERRED

### DECKERS APPAREL, ACCESSORIES, AND HOME GOODS PREFERRED DIVERSION METHODS OVER TIME



NON-PREFERRED
 PREFERRED





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● FY19 ● FY20 ● FY21 ● FY22

# WASTE (CONTINUED)

# **BRAND-SPECIFIC DIVERSION PROGRESS**

# THE RECYCLABILITY OF OUR PACKAGING

At Deckers, we believe all packaging that we produce should be treated as waste. The reality is most packaging can be assumed to be discarded in the same year the products they contain are purchased. In addition, there is no national law in the United States that mandates recycling, which unfortunately leaves state and local governments to introduce their own recycling requirements.

According to the EPA, containers and packaging make up a major portion of municipal solid waste and plastics are a rapidly growing segment of municipal solid waste (MSW). While plastics are found in all major MSW categories, the containers and packaging category had the most plastic tonnage at over 14.5 million tons in 2018.

Knowing this, we challenged ourselves to report the recyclability of our packaging based on the USA EPA standards. We would like to have all brands reach 80%, meaning that 80% of their packaging materials could be recycled, and we look forward to continuing to track our progress in this area.

# **BRAND-SPECIFIC PACKAGING RECYCLABILITY**



### FY22 BRAND PACKAGING RECYCLABILITY

● FY19 ● FY20 ● FY21 ● FY22

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# **HUMAN RIGHTS**



# **HUMAN RIGHTS**

POSITIVELY IMPACT THE COMMUNITIES WHERE WE OPERATE INCLUDING ASSURING

# **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 the United Nations' International Bill of Human Rights, 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.

# **COMMITMENT TO TRANSPARENCY**

Deckers joined the Transparency Pledge in FY21. By aligning with the pledge, we are showcasing our commitment to maintain a transparent supply chain, ensuring meaningful corporate accountability and better working conditions. As part of this commitment to transparency, we publish a list of all Tier 1 and Tier 2 partners on www.deckers.com/responsibility, and provide valuable data including address, number of workers, gender breakdown, and brands produced. The list is updated at least twice annually and is available in spreadsheet form for ease of searchability.

# WORKERS IN OUR SUPPLY CHAIN

# **CHILD LABOR**

We prohibit the use of child labor. Our Ethical Supply Chain Supplier Code of Conduct prohibits supply chain 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	FY21	FY22
NUMBER OF CHILD LABOR FINDINGS OR EVENTS	0	0	0	0
NUMBER OF OTHER AGE STANDARD FINDINGS OR EVENTS	0	1*	0	0

\*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. Our Ethical Supply We believe all employees – whether they be our own or Chain Supplier Code of Conduct prohibits supply chain workers in our factories making our product-should partners from using forced labor whether in the form be paid fairly. Our business partners, at a minimum, will of prison labor, indentured labor, bonded labor or pay worker wages and benefits that meet applicable otherwise. We audit 100% of our Tier 1 partners, and laws. Workers must be given all benefits including, engage the majority of our Tier 2 partners through onsite holidays, leaves, and overtime pay. For overtime hours, visits, worker interviews, and detailed review of records. workers must receive compensation at premium rates. For more information, please see our CA Supply Chains Employment practices such as training or apprenticeship Act Statement, our UK Slavery Act Statement, and our wages, recruitment fees, deposits, or other practices Ethical Supply Chain Supplier Code of Conduct. that effectively lower a worker's pay below the legal minimum wage are not permitted. For clarity, and as set forth in our Ethical Supply Chain Supplier Code FORCED LABOR-RELATED FINDINGS of Conduct, under no circumstances should workers be responsible for recruitment fees. Suppliers are encouraged to consider fair wage or living wage and apply the higher standard where possible.

ISSUE	FY19	FY20	FY21	FY22
NUMBER OF FORCED LABOR FINDINGS OR EVENTS	0	0	0	0
NUMBER OF OTHER FORCED LABOR STANDARD FINDINGS OR EVENTS	0	1*	0	2*

\*These included factories having procedures to formally refuse overtime. Findings were remediated



Q GRI 103-1 103-2 103-3 403-5 403-6 403-7 403-9 403-10 412-1 414-1 414-2 SASB CG-AA-430b.1 CG-AA-430b.2 CG-AA-430b.3

# FAIR PAY

# HUMAN RIGHTS (CONTINUED)

# WORKERS IN OUR SUPPLY CHAIN (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.

	Onsite ESC Audit - Fair Factories Clearinghouse (FFC)
NNUAL ESC AUDIT	Audit CAP Progress - FFC
	Social Self-Governance
	Social Insurance and Legal Benefits
USTAINABILITY - SOCIAL	Working Hour Efficiency
	Beyond Compliance - Social Projects
	Minimize Footprint
	H&S Self-governance
	Minimize Injury/LTIR
JSTAINABILITY - EHS	
	Beyond Compliance - EHS Projects

# **PARTNER PERFORMANCE: TIER 1 VENDOR SCORECARD**

In FY22, we audited 100% of our Tier 1 partners which In FY22 we engaged the majority of our Tier 2 suppliers included 32 on-site audits: 78.12% of which were through audits, training and environmental projects. performed by our internal ESC team and 21.88% were Together, these engaged Tier 2 partners represent performed by an external third-party auditor based 80% of our total materials spend (significantly up from on our audit standards. We are pleased to report that FY21 which was those representing 55% of our annual 85.72% were either Champion or Excellent meaning spend). We have also developed a strategy to engage they scored 80-100% on their audit. This year, we did 100% of our Tier 2 partners. We plan to select a group not have any partners who were in our bottom two of key Tier 1 partners to collect various documents categories showing continuous improvement among from our Tier 2 partners to allow our team to perform a our partners. We also performed 103 desktop audits, social compliance and environmental health and safety mainly for licensees/agent relationships, but also for the assessment. To ensure compliance with our robust handful of Tier 1 partners we were not able to audit onexpectations, we also intend to randomly audit our Tier site due circumstances like travel restrictions. 2 partners. By 2025, we would like to monitor the data of all of our Tier 2 suppliers in the same way we do our factory partners. This is certainly not easy given the volume of suppliers we have, but we know that we can FY22 VENDOR SCORECARD PERFORMANCE only improve what we measure.



• 14.29% EXCELLENT (80-89.99%) ● 14.29% SOLID (70-79.9%)

\*Champion 90-100%, Excellent 80-89.99%, Solid 70-79.99%, Practitioner 60-69.99%, Beginner >60%

# **PARTNER PERFORMANCE: TIER 2 SUPPLIER PERFORMANCE**

# HUMAN RIGHTS (CONTINUED)

# WORKERS IN OUR SUPPLY CHAIN (CONTINUED)

# **TOP FINDINGS OF NON-COMPLIANCE**

Understanding our top findings of non-compliance keeps us accountable, and allows 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 noncompliance are excessive overtime (which is dependent on timing of audit and challenges associated with peak production), insufficient social insurance, improper PPE management, insufficient firefighting procedures, and improper exit aisles management. We believe these new areas of non-compliance (e.g. insufficient firefighting procedures and improper exit aisles) are in large part due to the ongoing challenges presented by COVID. For example, because of COVID travel restrictions, experts could not inspect or maintain firefighting equipment in a timely manner. Further, due to container shortages and challenges on logistics, product had to be stored therefore potentially affecting exit aisles. We continue to monitor performance in these areas and will allocate the resources necessary to remediate these areas of non-compliance.

### FY22 TOP FINDINGS OF NON-COMPLIANCE



\*Note, the above chart shows top non-compliance areas but we recognize that forced labor, child labor, minimum wage and health & safety are top risks in our industry which we continue to actively monitor. Data pulled from 32 audits using the FFC platform.

# 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 do not view ourselves as competitors in the area of social compliance, rather we are colleagues working together to implement lasting reform. In FY22, we collaborated with: (1) over 25 leading footwear and apparel brands, (2) Apparel and Footwear Brands Collaboration Forum, (3) Business for Social Responsibility, (4) Social and Labor Convergence, (5) Better Work, and (6) Timeline. We look forward to continuing to work with other peers in our industry to make lasting change.

# IMPROVEMENT MEASURES: SUCCESS STORIES

When a partner is not meeting our expectations, we are committed to working with them to improve performance because we don't believe simply walking away solves our commitment to ensure partners are acting responsibly. Of course, we will terminate our relationship with performers who are not fulfilling our expectations after continued effort. But, overall, we have found that our partners want to improve and want to remain our partners.

In FY22 we had a partner who fell below our expectations but was willing to work hard to improve their audit score. The partner was in our practitioner (60-69.5%) category but wanted to improve. Our ESC team arranged quarterly meetings, targeting trainings, and virtual workshops working closely with them to drive improvement. The partner was put on a corrective action plan detailing our expectations for improved environmental and social performance. With the teams dedication this partner progressed an entire category (from practitioner (66.11%) to solid (70.37%)). We also had another factory partner we worked close with who improved their audit score from a solid (74.23%) to a excellent (80.24%) in FY22. Our ESC team is always willing to work with our partners to evolve their performance.

# **INITIAL ESC VETTING**

Prior to engaging a new partner, our ESC team conducts an initial screening. We want to make sure we are partnering with only those partners who fulfill our expectations. In FY22 we did not have any new partners who failed to meet our expectations and were therefore onboarded without issue. We remain committed to initial vetting all partners prior to onboarding as it is necessary to ensure we are working with the best partners.

# **ETHICAL SUPPLY CHAIN (ESC) TRAINING**

Audits are needed to ensure an ethical supply chain, but audits alone are not enough - we know that we also need ongoing training to ensure our expectations are met. Our Ethical Supply Chain (ESC) team provides hands-on training so that partners are well versed on our Deckers expectations of those partners.

Our ESC team has been able to pivot to remote ESC engagement and virtual trainings, given the ongoing challenges presented by the COVID-19 pandemic. In FY22, our team spent over 646 hours training our suppliers, third-party partners and cross-functional management teams on various ESC topics, an increase of over 47% compared to the 440 hours of training in FY21.

We want to ensure factory workers are working in an environment where they feel safe and welcomed to be themselves. In FY22 we went beyond simply monitoring our partners and we made a commitment to really work with them on eliminating harassment from the workplace. We engaged 12 of our T1 partners, located in both Vietnam and the Philippines, to provide training on harassment with the goal of eliminating harassment from the workplace. The trainings, which reached approximately 23,472 workers (18,828 in Vietnam and 4,644 in the Philippines), were conducted in partnership with Better Work, Timeline and BSR. What is so powerful about this is that rather than simply providing a training as a check the box exercise, we selected ESC coordinators who received a certification by the International Labor Organization (ILO) so that they can continue training and empowering for years to come.

# HUMAN RIGHTS (CONTINUED)

# **HEALTH & SAFETY BREAKDOWN BY TIER**

# **TIER 1 - FOOTWEAR FACTORIES** (14 FOR ALL YEARS EXCEPT FY22 WHICH WAS 15)

# WORKERS IN OUR SUPPLY CHAIN (CONTINUED)

# **HERPROJECT**

HERproject, a collaborative initiative that strives to empower low-income women working in global supply chains. Women make up the majority of factory 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 FY22, despite the continued challenges presented by COVID-19 and travel restrictions, we expanded our HERproject activations into three Tier 1 partners (HERhealth), empowering workers to take control of their own health. We also offered HERmanagement to one Tier 1 partner in China and three Tier 2 partners in Vietnam inspiring the next generation of female leaders. Finally, we provided HERfinance training to one Tier 1 factory in Vietnam. This further shows the diversification of our partnership with the HERproject offering multiple trainings platforms and catering to the needs of our partners.Since the inception of our partnership with HERproject, we have engaged a total of 27 partners (20 Tier 1 factories, and seven Tier 2 Suppliers) and have impacted the lives of 45,617 female workers (a total of over 61,000 including our male attendees). In FY23, we anticipate being over halfway toward our goal of empowering 100,000 women globally by 2027.

### TOTAL NUMBER OF WOMEN EMPOWERED TO DATE

2019	25,000
2020	33,019
2021	33,220
2022	45,617

# **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, through regular audits and training.

In FY22 we met or exceeded targets for Lost Time Injury Rate (LTIR) and Total Recordable Incident Rate (TRIR) among monitored factories and tanneries. Our monitored bottom suppliers unfortunately failed to meet our target.

PERFORMANCE MEASURE	UNITS	CURRENT STATUS	FY19 Performance	FY20 Performance	FY21 Performance	FY22 Performance
FATALITIES	Number of Events	$\checkmark$	0	0	0	0
LOST TIME INJURY RATE (LTIR)	Cases/Total hours worked *200,000	$\checkmark$	0.33	0.18	0.24	0.12
TOTAL RECORDABLE INCIDENT RATE (TRIR)	Cases/Total hours worked *200,000	$\checkmark$	0.33	0.29	0.32	0.16
TOTAL # OF LOST DAYS	Days	N/A	1,391	905	612	1109

# TIER 2 - BOTTOM SUPPLIERS (7)

PERFORMANCE MEASURE	UNITS	CURRENT STATUS	FY19 Performance	FY20 Performance	FY21 Performance	FY22 Performance
FATALITIES	Number of Events	Х	0	0	0	1*
LOST TIME INJURY RATE (LTIR)	Cases/Total hours worked *200,000	Х	0.32	0.38	0.17	0.37
TOTAL RECORDABLE INCIDENT RATE (TRIR)	Cases/Total hours worked *200,000	Х	0.7	0.43	0.21	0.37
TOTAL # OF LOST DAYS	Days	N/A	768	172	148	309

# TIER 2 - TANNERIES (8)

PERFORMANCE MEASURE	UNITS	CURRENT STATUS	FY19 Performance	FY20 Performance	FY21 Performance	FY22 Performance
FATALITIES	Number of Events		0	0	0	0
LOST TIME INJURY RATE (LTIR)	Cases/Total hours worked *200,000	$\checkmark$	0.78	0.99	0.71	0.54
TOTAL RECORDABLE INCIDENT RATE (TRIR)	Cases/Total hours worked *200,000		0.86	1.23	0.68	0.47
TOTAL # OF LOST DAYS	Days	N/A	751	1,237	658	1369.5

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. FY22 figures derived from 15 footwear factories, 7 bottom suppliers, and 8 tanneries

4. \*Fatality was an unfortunate accident during a break in an unauthorized location not on a production line. Deckers worked closely with factory to ensure additional training and remediation efforts were provided and factory provided financial assistance to the family

# CHEMISTRY,



# SAFETY



# **CHEMISTRY & CONSUMER SAFETY**

# **CHEMISTRY & CONSUMER SAFETY**



# **CHEMISTRY & CONSUMER SAFETY**

REDUCE OR ELIMINATE HAZARDOUS CHEMICALS THROUGHOUT OUR OPERATIONS

# **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.

Chemistry is certainly not something that many think of when they put on their favorite pair of shoes or garment. But the reality is chemistry is a fundamental element of each step of getting that product to a consumer.

From the processing of raw materials (e.g., tanning and dyeing) to product assembly (e.g., adhesives), chemistry is a fundamental part of every step of the way. If not handled appropriately, chemicals could cause significant damage to planetary and human health. Appropriate chemical use and management leads to improved health and safety of workers, cleaner water, cleaner air and reduced hazardous waste. This is why we invest heavily in appropriate chemical management and consumer safety.

# **OUR RESTRICTED** SUBSTANCES PROGRAM

Our Restricted Substance Program is intended to ensure products comply with the most stringent applicable global legislation, along with our own voluntary regulations. Our program promotes the use of environmentally friendly materials, ensures harmful substances are limited or eliminated, and encourages sustainable product innovation. Our approach to restricted substances is both hazard and risk-based and is guided and our processes are further outlined in our **Restricted Substances Policy** which is publicly available and applicable to all our products.

Testing requirements, frequency of testing, random sampling, approved third-party testing laboratories, finished products testing, common names of chemicals we monitor, CAS numbers, restriction levels and test methods are covered in our Restricted Substances Policy.

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 The added effort and time our Restricted Substances provide ongoing training to appropriately manage our team spends nurturing these relationships with our product chemistry. In FY22, our Restricted Substances supply chain partners has resulted in a very low Team offered 413 hours of training to our supply chain restricted substances failure rate. Our overall failure partners. The trainings touch upon various topics rate in FY22 was lower at 0.73% (compared to 0.98%) including: in FY21). We remain committed to making product in a way that protects our consumers and workers in our Restricted Substances Policy Review and Highlights supply chain, and is less harmful to our environment.

- 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 Traceability
- 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
- ZDHC Exploration and alignment including proper chemical management

### TRAINING DATA



• TOTAL NUMBER OF PEOPLE TRAINED • TOTAL HOURS TRAINED

### **RESTRICTED SUBSTANCES TESTING**



**5 YEAR RESTRICTED SUBSTANCES FAILURE RATES** 

\*Note, all failed materials were improved successfully and were not used in production.



• TOTAL NUMBER OF RANDOM TESTING • NUMBER OF FAILURE REPORTS

# **CHEMISTRY & CONSUMER SAFETY**

# **CHEMISTRY & CONSUMER SAFETY** (CONTINUED)

### CONSUMER SAFETY

# **CONSUMER PRODUCTS SAFETY IMPROVEMENT ACT** (CPSIA)

Our Restricted Substances program is intended to ensure products are safe for consumers and comply with the most stringent applicable global legislation, including the Consumer Product Safety Improvement Act (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. For the last three years we have had zero CPSIA failures thanks to our teams' tremendous dedication.

# CHEMICALS REDUCED. **CONTROLLED, OR ELIMINATED**

# VOLATILE ORGANIC COMPOUNDS (VOCs)

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. At 11.9g/pair or under, all of our brands are all well within our target of 20g/pair. We intend to continue driving these reductions and anticipate overall maintained or reduced VOC levels for all of our brands moving forward.



### **VOLATILE ORGANIC COMPOUNDS REDUCTION EFFORTS** (UNITS GRAM/PAIR)

BRAND	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22
UGG	20.0	17.0	13.7	12.6	6.9	6.8
SANUK	18.0	15.2	19.0	6.2	5.4	6.5
TEVA	45.0	20.4	19.5	17.9	12.2	10.8
НОКА	25	14.5	14.4	17.3	14.0	11.9
KOOLABURRA	25	17.1	14.5	11.3	7.5	10.6

\*While we have maintained our targets to keep brand VOCs below 20g/ pair, Koolaburra and Sanuk did have a slight increase when compared to FY21. This can be attributed to more sophisticated designs which require additional adhesives and primers

# **CLEANER CHEMISTRY**

Conventional tanning involves a tremendous amount In FY22, our Restricted Substances team managed and of chemicals and water. The tanning processes are controlled over 1,600 restricted substances and were affected by the orientation of arrays of animo acids able to identify cleaner chemistries for the following: in the protein structure of animal hides. To minimize the use of chemicals and water, we employ a more **REDUCTION OF VOCs DURING** environmentally friendly tanning reagent.

# THE FOAMING PROCESSES

In the rubber, EVA, and plastic foaming processes, volatile chemicals such as ammonia gas and VOCs are ubiquitous. By applying an enhanced foaming accelerator, our team can inhibit the unwanted secondary reaction therefore producing EVA, rubber and other foamed materials with reduced VOCs.

# INHALATION MITIGATION IN **FOAMING PRODUCTION**

In EVA production, Talc Powder, Zinc Oxide, and Titanium Oxide are used in the mixing and foaming processes. These substances are known to be carcinogenic and can be present in the dust that results during the foaming process. Recognizing we must do what we can to ensure healthy working conditions for supply chain workers, we use static control and dust prevention chemicals to reduce dust. As a result of these efforts, the dust effects on workers have been significantly reduced.

# PERFLUORINATED COMPOUNDS (PFCS)

Since 2020, we have achieved PFCs free results (free meaning not detected per the lowest machine *calibration of 0.01mg/kg*) for all products based on the most stringent testing method for thirty-three PFCs. However, more PFCs and their derivatives and salts are being reported. In FY22, we collaborated with reputable third-party labs and test for fifty-seven different PFCs at 0.01mg/kg, which covers current industrially available PFCs reported. To achieve these great results, our team has dedicated (and will continue to dedicate) resources towards traceability projects, onsite inspections. random testing, and auditing.

• TOTAL NUMBER OF CPSIA REPORTS • CPSIA FAILURE RATES

# **CLEANER TANNING**

# **CLEANER WATER BASED PU SYNTHESIS**

Traditionally, synthetic leather are produced in the presence of a solvent called Dimethyl formamide (DMFA), which has a high level of toxicity, and Methylethyl Ketone (MEK). By using a DMFA capturer and substituting with greener chemistry, we can eliminate DMFA and make the system primarily water based. This innovative approach not only eliminates DMFA, but also minimizes the effects of dangerous wastewater.

# **CLEANER TEXTILE DYEING**

With the implementation of digital dyeing and coloring, wastewater can be reduced significantly. However, digital dyeing still has many restricted substance concerns. For example, certain dyes need to be dissolved in solvents such as formaldehyde and toluene to enhance the flow rate. We have been experimenting with an advanced nano-dye technology to enhance the solubility and flow rate while eliminating restricted substances.

# CHEMISTRY & CONSUMER SAFETY

# CHEMISTRY & CONSUMER SAFETY (CONTINUED)

# **CLEANER CHEMISTRY** (CONTINUED)

# ELIMINATION OF QUINOLINE IN SYNTHETIC TEXTILES

Quinoline is an intermediate chemical of certain dyes. Dye processes that use certain dye liquor may break down and release quinoline, the dyes may break down and release quinoline. Our Restricted Substances team uses two approaches to eliminate Quinoline in textiles. The first one is to use chemistry to extract Quinoline and decompose it during the dyeing process. The other option is to use alternative dye that does not have the risk to release quinoline.

# **ELIMINATION OF APS AND APEOS**

APs and APEOs have troubled the textile industry for decades and have caused various social and health related concerns because of their toxicity and carcinogenicity. They are powerful surfactants in dyeing and wetting industries and their alternatives are less efficient in achieving the same dyeing and finishing effects. We implement good wastewater and dyeing chemistry and utilize alternatives successfully eliminating APs and APEOs in all ingredients and wastewater.





# CONCLUSION

# CONCLUSION

Thank you for reading our FY22 Creating Change Report. We are proud that we have been able to continue doing good for our communities, the factories in which we operate, and the planet on which we live.

We recognize that our program will continue to evolve, and we want to continue challenging ourselves to do more and do better. In FY23, we will continue on our journey by being mindful by being mindful of our actions, respectful of our planet, and by ensuring our employees and factory workers feel appreciated and empowered to be their true authentic selves.

We will continue to drive progress toward our SDGs, align efforts with our science-based targets, pursue materials which are sourced via regenerative farming, and use our platforms to advocate for a more equitable and just society.

Our hope is that our continued environmental, social, and governance principles are clear in the actions we are taking. We look forward to continuing our sustainability journey and taking our stakeholders, including our investors, consumers, and customers along on this journey with us.





# ADDITIONAL INFORMATION

# ADDITIONAL INFORMATION

# **PRIOR REPORTS**

Deckers has filed seven annual corporate responsibility and sustainability reports; this is our eighth report. Prior to this publication, the most recent corporate responsibility report covering fiscal year 2021 was released in October 2021. All historic reports can be found at the references linked below or at **www.deckers.com/responsibility**.

# **REPORT FRAMEWORK**

We believe that the progress of our corporate responsibility and sustainability efforts is served by disclosing goals and relevant metrics and, to that end, we have aligned the reporting standards included in our Corporate Responsibility Report with the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (commonly referred to as TCFD), Global Reporting Initiative's (commonly referred to as GRI) Core Standards, and Sustainability Accounting Standards Board's (commonly referred to as SASB) Consumer Goods Standards. This report focuses on key social and environmental issues, including but not limited to human rights, reduced inequalities, labor conditions, animal welfare, diversity and inclusion, corruption, governance, waste, water, climate and clean energy, and raw materials sourcing.

# CONTACT

We welcome any feedback on this report. Please reach out to us with any thoughts, questions or feedback at **cr@deckers.com**.

