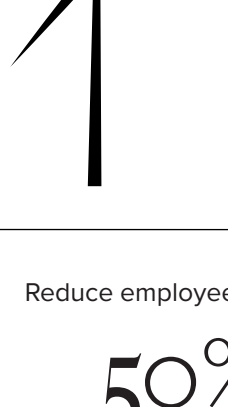


PART OF A FAMILY: OUR COMMITMENTS TO OUR ENVIRONMENT

Our main environmental targets and progress are outlined below:

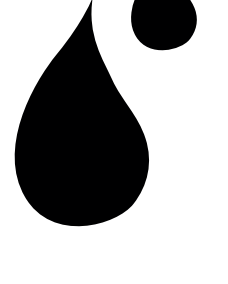
WHO	GOAL	DUE	FY20 ACHIEVEMENTS	PROGRESS
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CLIMATE & CLEAN ENERGY

Reduce energy consumption and carbon emissions throughout our operations

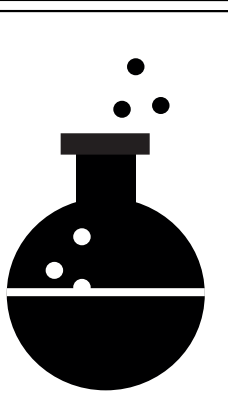
DECKERS	Reduce employee travel by 50%	2025	Global employees air travel emitted 11,6414,280.85 pounds or 5,820.64 tons of CO2	On Track
DECKERS	Encourage employee utilization of alternative commute program to save over 50 tons of CO2 annually	2027	Employees recorded and saved 80.74 tons of CO2 through alternative commute strategies	On Track
DECKERS	Baseline product materials energy and greenhouse gas emissions and set reduction targets	2021	Deployed material LCA to establish baseline for energy usage and greenhouse gas emissions at finished material creation level: targets to be set FY21	On Track
DECKERS	Maintain Packaging energy and greenhouse gas emission per pair	2027	<ul style="list-style-type: none"> Packaging LCA completed Completed Packaging Greenhouse Gas Emissions Study. Below shows FY19 v. FY20 reduction in greenhouse gas emissions per pair: UGG: 4.85% Completed Packaging Energy Usage Study. Below shows FY19 v. FY20 reduction in energy per pair: UGG: 14.22% 	On Track
DECKERS	100% renewable energy in owned and operated facilities	2021	<ul style="list-style-type: none"> Corporate HQ LED conversion completed: 100% LED lighting installed Hong Kong Office in 90% percentile for energy efficiency Continued to track usage among US retail stores and US company office locations generally remaining consistent 	On track but desire to speed up efforts in this area
DECKERS	Increase awareness on Climate related issues	2027	Earth Day employee contest conceptualized in FY20 with deployment in FY21 to encourage employees to live in a more environmentally mindful way	Work in progress
DECKERS	Of monitored Tier 1 facilities, reduce non-renewable energy usage by 30%	2027	Monitored 14 of Tier 1 footwear factories and reduced their energy consumption by 30%. Goal is to maintain this reduction	On Track but desire to speed up efforts in this sector of our supply chain
DECKERS	Of monitored Tier 2 suppliers, reduce non-renewable energy usage by 5%	2027	Monitored 17 Tier 2 suppliers. Of the 8 Bottom unit facilities and tannery facilities energy consumption and set reduction target of 5%	On Track but desire to speed up efforts in this sector of our supply chain
DECKERS	Set Science based climate change goals	2025	Target set	New Target



WATER

Reduce water usage and improve water quality throughout our operations and the communities in which we operate

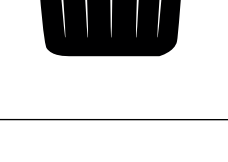
DECKERS	Increase the number of monitored Tier 1 and Tier 2 partners YOY and increase recycled water usage	2027	165,328,00 liters of water recycled	On track but desire to speed up efforts in this sector of our supply chain
DECKERS	Conduct study on water practices for all Tier 1 and top Tier 2 suppliers and ensure these partners are applying industry best practices on water treatment and usage	2022	4% reduction in water usage at the Tier 1 level. Tier 2 baseline set and target to reduce water usage at Tier 2 level by FY22 adopted	On Track but desire to speed up efforts in this sector of our supply chain
DECKERS	Ensure 100% of our leathers/hides sourced from Leather Working Group Certified Tanneries	2027	97.33% of leathers/hides from Leather Working Group Certified Tanneries that support responsible energy usage	On Track
DECKERS	Host an annual beach cleanup in one of the communities we operate in	2027	APAC team hosted a beach cleanup in Vietnam during our supplier summit	Ongoing: Achieved
DECKERS	Ensure best in class water mitigation efforts at headquarter location	2020	<ul style="list-style-type: none"> Low flow fixtures that save 350,000 gallons of water each year Filmed video series highlighting HQ and DC waste mitigation efforts Drought tolerant landscaping and use of culvert system where rainfall is collected and put into the wetland restoration area 	Target achieved
DECKERS	Baseline product materials water usage, freshwater ecotoxicity and freshwater eutrophication produced at the finished material creation level and set reduction targets	2021	Deployed material LCA to establish baseline for water usage, freshwater ecotoxicity and freshwater eutrophication produced at the finished material creation level. Targets to be set FY21	On Track
DECKERS	Reduce or maintain (+/- 2%) packaging water usage and freshwater eutrophication produced per pair	2021	<ul style="list-style-type: none"> Packaging LCA completed. Completed Packaging Water Usage Study. Below shows FY19 v. FY20 reduction in water usage per pair: UGG: 26.48% Completed Packaging Freshwater Eutrophication Study. Below shows FY19 v. FY20 reduction in freshwater eutrophication per pair: UGG: 13.50% 	On Track



CHEMISTRY

Reduce or eliminate hazardous chemicals throughout our operations

DECKERS	Reduce Volatile Organic Compounds to 20g/pair or less	2020	Continued reduction in VOCs. All brands under 18g/ pair at the assembly level	Target Achieved
DECKERS	Eliminate PFC from our supply chain (Tier 1 and Tier 2)	2021	PFC free supply chain achieved (Tier 1 and Tier 2)	Target Achieved
DECKERS	Eliminate PVC from our supply chain	2027	Working towards elimination	On Track
DECKERS	Eliminate/reduce potentially harmful substances from our supply chain	2027	<ul style="list-style-type: none"> Deckers materials free of banned and/or restricted Azo dyes Blue 106 replaced with an environmentally friendly dye that share the same color properties 	Work in progress



WASTE

Sustainably reduce waste generated at its facilities and partner facilities through refuse, reduction, recycling and reuse.

WASTE GENERATION

DECKERS	Reduce waste generation at our Headquarter location among our employees and brand teams	2027	Eliminated most single use plastic at corporate office locations and retail	On Track
DECKERS	Benchmark theoretical waste produced at footwear and packaging level by measuring total input and subtracting our finished good weight	2022	Target set	New Target
DECKERS	Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category (Tier 2)	2021	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles regarding loss in production and defect rate	On Track
DECKERS	Set midsole and outsole waste reduction targets for each brand by FY20 (exempt Koolaburra)	2027	Initial targets set reducing midsole and outsole waste for each brand	On Track
DECKERS	Increase the number of 'Monitored' Tier 1 and Tier 2 partners YOY and record waste produced for each partner	2025	<ul style="list-style-type: none"> Increased monitored Tier 1 facilities to 14 supply chain partners and saw a 772% 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. 	On Track
DECKERS	Complete Packaging materials dunnage study and once established reduce dunnage by pair	2021	Completed Packaging Dunnage Study. Below shows FY19 v. FY20 reduction in dunnage per pair: UGG: 9.02%	On Track
DECKERS	Complete Packaging Loss in Production Study for all substrates, paper and plastic	2021	When comparing FY19 v. FY20, Deckers saw a 16.3% reduction in Loss in Production (LOP) packaging waste. Specifically, by brand each saw reductions of: UGG: 24.15%	On Track

WASTE DIVERSION

DECKERS	Moreno Valley Distribution Center zero-waste facility by 2023	2023	96% of waste was recycled	On Track
DECKERS	Increase the number of monitored Tier 1 and Tier 2 partners YOY and set waste diversion targets	2027	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	On Track
DECKERS	Charter a more in-depth Waste Diversion Program (define measure analyze improve control 'DMAIC') for selected Tier 1 and Tier 2 (including benchmarking types of waste such as foams and textiles)	2027	Target set	New Target
DECKERS	Create a Design of Experiments (DOE) plan to divert our waste from Tier 1 partners to be upcycled (either within Tier 2 partners or new external partners)	2027	Target set	Target set
DECKERS	Complete Packaging materials waste diversion study among packaging suppliers	2025	<ul style="list-style-type: none"> Packaging Waste Diversion Study Completed. In FY20, 98.58% of all packaging substrate waste produced by our suppliers were either post-industrial recycled or close loop recycled. Leaving only 1.42% to landfill 98.80% of paper waste was either post-industrial recycled or close loop recycled. Leaving only 1.20% of paper waste to landfill 92.22% of plastic packaging waste was either post-industrial recycled or close loop recycled. Specifically, 88.67% of our plastic packaging waste was closed loop recycled. Leaving only 7.78% of plastic waste to landfill 	On Track