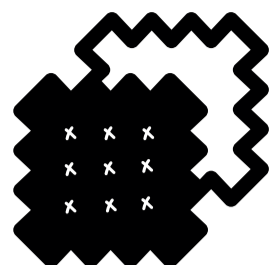


# PART OF A FAMILY: OUR COMMITMENTS TO MATERIAL INNOVATION

Our main material targets and progress are outlined below:

WHO	GOAL	DUE	FY20 ACHIEVEMENTS	PROGRESS
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## MATERIALS

*Incorporate more certified responsible and sustainable materials in our products (including recycled, renewable, regenerated, and natural).*

DECKERS	<p>Baseline footwear materials environmental footprint from all material categories including waste production and methods of waste disposal FY21</p> <p>Material Categories include: Closures, Components, Leather, Midsole, Outsole, Packaging, Sheepskin, Synthetic and Textiles</p>	2021	<ul style="list-style-type: none"> <li>Tool selected and questionnaire deployed to suppliers</li> <li>Packaging category LCA completed with new tool</li> <li>Leather and Sheepskin categories LCA completed with new tool</li> <li>Wool Fiber LCA completed with new tool (pending waste)</li> </ul>	On Track
DECKERS	<p><b>100%</b> of our hides/skins will be finished in Leather Working Group rated tanneries</p>	2022	<ul style="list-style-type: none"> <li>97.33% of all hides/ skins sourced from Leather Working Group Certified tanneries within our leather and sheepskin material category</li> <li>100% of sheepskin sourced via Leather Working Group certified tanneries within our sheepskin material category</li> <li>Licensee and Agents (an area where we don't control sourcing) have committed to sourcing 100% LWG certified by 2021</li> </ul>	On Track
DECKERS	A PFC-free supply chain by 2021	2021	PFC free supply chain achieved for both Tier 1 and Tier 2	Target Achieved
DECKERS	<p><b>100%</b> down used in all our product (including licensee and agents) will be RDS certified</p>	2022	100% of down used in Deckers products RDS certified	Target Achieved
DECKERS	All cotton fiber will be sourced from farms that utilize sustainable crop growing practices or from recycled cotton within all material categories	2025	Do not source from Turkmenistan or Uzbekistan due to practice of forced labor	On Track
DECKERS	<p><b>100%</b> compliance with our Ethical Sourcing and Animal Welfare Policy</p>	2021	<ul style="list-style-type: none"> <li>100% compliance in footwear leathers and sheepskin categories</li> <li>Some Licensees and Agents (used for non-footwear products) did not source a portion of their leathers from Leather Working Group certified tanneries – required per policy. Licensees and Agents provided with notice and we anticipate full compliance by FY21</li> </ul>	On Track
DECKERS	<p>Trace <b>85%</b> of cattle hide and sheepskin back to processing facility within the leather and sheepskin material categories</p>	2020	<ul style="list-style-type: none"> <li>Traced 97.33% of our hides/ skins back to processing facility within the leather and sheepskin material categories</li> <li>100% of sheepskin sourced via Leather Working Group certified tanneries within the sheepskin material category</li> </ul>	Target Achieved
DECKERS	<p>Trace <b>100%</b> of all hides/skins back to the country of origin within the leather and sheepskin material categories</p>	2021	97.3% of hides/skins traced to country of origin within the leather and sheepskin material categories	On Track
UGG	Eliminate virgin wool or ensure that virgin wool usage is Responsible Wool Certified Wool	2022	98.31% of UGG wool (used in its footwear products) is repurposed and 1.69% is virgin wool, with a commitment to either eliminate its virgin wool usage in its footwear entirely or ensuring that its virgin wool is Responsible Wool Standard (RWS) certified by 2022	On Track
UGG	<p>Replace <b>80%</b> of all faux fur with plant based faux fur or recycled synthetic fibers within all material categories</p>	2027	Developed first ever regenerated 100% plant based faux fur and scrim sourced from sustainable eucalyptus farms	On Track
UGG	<p><b>70%</b> of all internal or reinforcement materials are sourced from a nominated supplier</p>	2027	Target Set	New Target
UGG	<p>Increase use of recycled, repurposed, regenerated (plant based), renewable (bio based), and certified/ preferred natural fibers by <b>35%</b> among all material categories</p>	2027	Increase in recycled synthetic fibers and lyocell. Introduction of preferred natural fibers (hemp and jute)	On Track
UGG	Conduct lean manufacturing baseline study for all materials within the midsoles and outsole category	2021	Questionnaire deployed for lean manufacturing study for all midsoles and outsoles	On Track
UGG	<p>Reduce <b>35%</b> of waste produced in the production of midsoles and outsoles</p>	2027	Target Set	New Target
UGG	Reduce or maintain environmental impact per pair among all packaging materials	2025	<ul style="list-style-type: none"> <li>Packaging LCA completed</li> <li>When comparing FY19 to FY20, UGG saw a decrease in packaging dunnage by 9.02%, decrease in GHG emissions by 4.85%, water usage reduction by 26.48%, Fossil Fuel reduction of 14.22% and Eutrophication decreased by 13.50%</li> </ul>	On Track