

# Ethical Sourcing and Animal Welfare Policy

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## I. INTRODUCTION

At Deckers Brands (“Deckers”), we want to bring transparency to our supply chain. We want consumers to know about the materials and craftsmanship used to create our unique brands. This policy is a statement of our commitment to Ethical Sourcing and Animal Welfare. It guides Deckers, as well as our suppliers and manufacturers (collectively, “business partners”), to act responsibly when sourcing materials on behalf of Deckers.

## II. SCOPE

This policy applies to all suppliers who source materials on behalf of Deckers Brands including UGG<sup>®</sup>, Teva<sup>®</sup>, Sanuk<sup>®</sup>, Hoka One One<sup>®</sup>, Koolaburra<sup>®</sup>.

## III. PERMITTED/PROHIBITED ANIMAL HIDES

### A. Permitted Animal Hides

Deckers ONLY accepts Animal Hides that are a byproduct of the meat industry and are not raised exclusively for their pelts. This includes, but is not limited to:

- Cow (leather + hair-on hides)
- Sheep (leather + hair-on hides)
- Pig
- Goat
- Water Buffalo

### B. Prohibited Animal Hides

Animal Hides must NOT be any of the following species:

- Any species of domesticated or feral dog or cat
- Raccoon Dog
- Angora or rabbit hair (*this restriction shall apply to Products manufactured after the Fall 2014 season*)
- Astrakhan/Karakul

- Seal, Polar bear, leopard, ocelot, tiger, cheetah, jaguar, sable antelope, wolf (*Canis lupus*), zebra, whale, cobra, python, sea turtle, colobus monkey, kangaroo, vicuna, sea otter, free-roaming feral horse, dolphin or porpoise (*Delphinidae*), Spanish lynx, or elephant
- Crocodile, alligator or caiman
- Endangered species, based on the Convention on International Trade in Endangered Species (CITES) (see [www.cites.org](http://www.cites.org) for a list of species) or the IUCN red list as Critically Endangered, Endangered or Vulnerable ([www.redlist.org](http://www.redlist.org)).

#### IV. SOUND ANIMAL HUSBANDRY AND MULESING

##### A. Sound Animal Husbandry

Suppliers must source animal hides from processors which use sound animal husbandry, humane animal treatment, and slaughtering practices. Deckers does not accept hides from animals that have been slaughtered exclusively for their pelts or skinned alive. We define sound husbandry as the internationally recognized Five Freedoms<sup>1</sup>.

- a. Freedom from hunger or thirst by ready access to fresh water and a diet to maintain full health and vigor;
- b. Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area;
- c. Freedom from pain, injury or disease by prevention or rapid diagnosis and treatment;
- d. Freedom to express (most) normal behavior by providing sufficient space, proper facilities and company of the animal's own kind; and
- e. Freedom from fear and distress by ensuring conditions and treatment which avoid mental suffering.

**B. Mulesing:** Deckers does not support the practice of mulesing. Sheepskin and Wool suppliers must certify that they do not supply any materials or products to Deckers from sheep which have been mulesed. Further, Deckers will accept Merino wool from Australia *only* from certified non-mulesed or ceased-mulesed wool sources. The UGG<sup>®</sup> Animal Welfare FAQ details Deckers' sheepskin sourcing practices and can be found at the following link: <https://www.ugg.com/animal-welfare-faq.html>.

#### V. RESPONSIBLE COTTON

Deckers Brands is a member of the Better Cotton Initiative and understands the importance of sourcing cotton produced in a way that is better for the people who produce it and the environment in which it grows. We do not support forced labor, in

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<sup>1</sup> "The Five Freedoms", Royal Society for the Prevention of Cruelty to Animals, accessed December 2, 2015. <https://www.rspca.org.uk/servlet/Satellite?blobcol=urlblob&blobheader=application/pdf&blobkey=id&blobtable=RSPCABlob&blobwhere=1210683196122>

any form, which is why we do not source cotton originating from Turkmenistan or Uzbekistan given the practice of forced labor in these countries for cotton production. Our business partners are also prohibited from sourcing cotton from Turkmenistan or Uzbekistan.

## VI. RESPONSIBLE DOWN

All down used in Deckers branded products is certified in accordance with the Responsible Down Standard: <http://responsibledown.org/>. 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.

## VII. DEFORESTATION

All tanneries supplying finished leather (cattle hides) to Deckers Brands originating from Brazil are required to have a Leather Working Group certification and a level “A” rating in traceability. This ensures that the hides sourced are not originating from farms involved in illegal deforestation.

## VIII. RESPONSIBILITIES OF DECKERS BUSINESS PARTNERS

- A. Annual Certification:** On an annual basis, Deckers business partners must certify their compliance with all applicable policies (*including this Animal Welfare Policy*).
- B. Source Origin and Traceability:** Suppliers must be able to trace raw hides back to its country of origin and provide source origin documentation upon request. Deckers does not accept sheepskin sourced from countries in the Middle East and North Africa. Deckers does not support the practice of transporting live animals overseas.
- C. Labeling:** All Animal Hides must adhere to product labeling requirements including, but not limited to, the Fur Products Labeling Act and the Wool Products Labeling Act.
- D. Legislation:** Suppliers must comply with all applicable global legislation which applies to animal hides.
- E. Trade Regulation:** Suppliers must comply with country specific import/trade regulations which apply to animal hides. Where applicable, products made with animal hides will be accompanied by the appropriate export certificate.

## IX. DECKERS ETHICAL SOURCING AND ANIMAL WELFARE GOVERNANCE

Deckers Materials Purchasing department is responsible for ensuring our business partners and our employees are fully compliant with this Policy.

**X. INDUSTRY COLLABORATION****A. United Nations Global Compact**

Deckers has been a member of the United Nations Global Compact (“UNGC”) since 2016. The UNGC is the world’s largest voluntary corporate citizenship initiative with over 8,000 participating companies.

**B. Textile Exchange’s Kickstart Program**

Deckers joined the Textile Exchange’s Kickstart Program in FY18 in order to bring smaller farm operations into the Responsible Wool Standard initiative and increase the availability of certified wool in supply chains.

**C. Responsible Wool Standard International Working Group, Textile Exchange Working Group**

Deckers is a founding member of the Responsible Wool Standard International Working Group. In 2015, Deckers joined other brands, animal welfare groups, farmers and supply chain members and the Textile Exchange to develop the forthcoming Responsible Wool Standard – a global standard that will protect animal welfare, influence best practices, ensure traceability, and ultimately give consumers clear and trustworthy information which can help guide their buying preferences.

**D. Leather Working Group**

Deckers is a member of the Leather Working Group (“LWG”), an industry organization that developed and maintains a rating system and certification program for environmental performance in tanneries. Approximately 100% of all leather used in Deckers products is sourced from a LWG certified tannery.

**E. Leather Working Group’s Animal Welfare Group**

The primary objective of the Animal Welfare group is the education of the leather value chain on the long and short of animal welfare. This group prioritizes their efforts around traceability, slaughter protocols, assurance schemes and risk mapping.

**F. Better Cotton Initiative**

Deckers joined the Better Cotton initiative in 2018. The Better Cotton Initiative is a non-profit organization that promotes better standards in cotton farming and practices.