

WATER POLICY

OUR APPROACH:

Of all the water on Earth, more than 99% is unusable by humans - only about 0.3 percent of our freshwater is accessible to humans as surface water in lakes and rivers. That number is astounding and further drives us to do our part to find solutions and be creative with water usage 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.

WHAT WE ARE DOING:

Corporate Offices:

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

Raw Material Sourcing:

We aim to utilize more preferred materials in our products. Preferred materials include those that are recycled, renewable, regenerative, and certified preferred/natural. We are studying ways to reduce our raw materials water usage, decrease freshwater contamination, and improve our textile dyeing and finishing practices.

Supply Chain:

We track water consumption and water recycling efforts among select Tier 1 factory partners and Tier 2 supply chain partners. We expect our partners to adhere to the highest standards of water efficiency and discharge. We require 100% of our business partners to have wastewater discharge permits to ensure proper disposal.

While we have adopted generalized water reduction targets (*e.g. reduce our water usage among Tier 1 partners by 15% and among Tier 2 partners by 5%*), we recognize that sustainability is a journey and

we intend to improve the quality of the data we are collecting among our partners so that we can set more targeted goals by factory or supplier.

To that end we have expanded our environmental monitoring programs among our manufacturing partners, amplifying their disclosures by utilizing the HIGG FEM module, now Worldly.

Product and Packaging:

Each of our brands have adopted water reduction targets at a per pair level and we strive to reduce or maintain (+/- 2%) our water usage per pair among all packaging materials in our footwear from a FY19 baseline year.

Charitable:

We support organizations, like the Surfrider Foundation, that are committed to protecting our waterways and oceans. Additionally, we have committed to one beach cleanup per year.

TARGETS:

We believe in monitoring our progress to hold ourselves accountable. As such we have identified various water targets and are transparent in reporting our progress on an annual basis. For more information on these targets and progress please see our Creating Change Report available at the link referenced below.

CONCLUSION:

For more information about our water conservation efforts, please see our annual Creating Change Report located at www.deckers.com/responsibility.