

WATER POLICY

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.

WHAT WE ARE DOING:

Corporate Offices:

Our corporate offices have water mitigation programs in place. We utilize low flow lavatories and faucets, and our landscaping utilizes draught tolerant plants that are irrigated by rainwater that is collected on site.

Raw Material Sourcing:

We aim to utilize preferred materials that use less water. We are studying ways to reduce our raw materials water usage and decrease freshwater contamination.

We are continuing to study ways to improve our textile dyeing and finishing practices.

Supply Chain:

We are monitoring and tracking our Tier 1 factory partners, and our Tier 2 supply chain partners, water management, wastewater treatment, and recycling efforts. 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.

Packaging:

We are studying ways to reduce our packaging materials water usage and striving to reduce packaging water usage per pair.

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 water targets and report our progress towards them in our annual Corporate Responsibility Report, *Creating Change*.

- Increase the number of monitored Tier 1 and Tier 2 partners year-over-year and increase recycled water usage;
- 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;
- Ensure 100% of our leathers/hides are sourced from Leather Working Group Certified Tanneries;
- Host an annual beach cleanup in one of the communities we operate in;
- Ensure best in class water mitigation efforts at our Goleta Headquarters;
- Baseline apparel, accessories, and home goods water usage at the finished material creation level and set reduction targets;
- Reduce or maintain (+/- 2%) packaging water usage per pair among all packaging materials in our footwear after FY21; and
- Support at least one water program a year focused on providing reliable, ongoing water and sanitation service and support our global communities.

CONCLUSION:

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