

Deckers Outdoor Corp.

TICKER NYS:DECK MARKET CAPITALIZATION US\$4 billion HEADQUARTERS United States

DISCLOSURES

UK Modern Slavery Act: Yes

TARGETS

None

California Transparency in Supply Chains Act: Yes

Deckers Outdoor Corp. (Deckers), a US footwear company, has taken some steps to address forced labor risks in its supply chains. It discloses about the same amount of information as the global sector average. Other footwear companies such as Nike or Puma disclose taking stronger steps. As of March 2021, Deckers amended its ethical sourcing policy to remove the following: "suppliers... must... not source from textile mills in Xinjiang,... manufacturer in the Xinjiang region of China and... only use cotton sourced via a responsible cotton scheme..." It no longer discloses any steps it has taken to address the risks of alleged Uyghur forced labor across its supply chain tiers.

STEPS TAKEN TO ADDRESS FORCED LABOR RISKS IN SUPPLY CHAINS

NO STEPS	BASIC STEPS	SOME STEPS	INTERMEDIATE STEPS	ADVANCED STEPS	
		Deckers has taken some steps to address forced labor risks in its supply chains. It is among 25% of companies in this sector to do so, with 25% of companies having taken stronger steps.			
SUPPLY CHAIN TR Supplier List	ANSPARENCY	Yes			
Information on Supp	ly Chain Workers	Yes			
HIGH-RISK RAW MATERIALS ¹ Cotton, natural rubber, wool, and others			HIGH-RISK SOURCING COUNTRIES		

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2021 Apparel and Footwear Benchmark Report.



SUBSET OF INDICATORS

NOT MET PARTIALLY MET	Policy / Process	Outcomes
Supplier Code of Conduct / Integration into Supplier Contracts		$\overline{}$
Management and Accountability Internal Management Board Oversight	\bigcirc	Not Applicable
Stakeholder Engagement Local Stakeholders Peers	\bigcirc	Not Applicable
Risk Assessment	\bigcirc	\bigcirc
Purchasing Practices	\bigcirc	\bigcirc
Recruitment Fees	\bigcirc	\bigcirc
Freedom of Association Working with Unions Examples of Improvements	\bigcirc	Not Applicable
Grievance Mechanism	\bigcirc	\bigcirc
Remedy Programs / Remedy Outcomes and Response to Allegations	\bigcirc	\bigcirc

Deckers discloses integrating its supplier code of conduct, which addresses the ILO core labor standards, into supplier contracts as well as internal responsibility for monitoring labor rights in its supply chains. It also publishes a supplier list that includes the names, addresses, numbers of female and male workers, and presence of unionization for its first-tier and the majority of its second-tier suppliers. Further, it discloses having a grievance mechanism in place for its supply chain workers.

Additional steps the company could take include

- assessing and disclosing forced labor risks across different tiers of its supply chains;
- working with independent local or global trade unions to support freedom of association in its supply chains; and
- establishing a process to ensure that remedy is provided to supply chain workers in cases of labor rights violations and disclosing examples of remedy outcomes for workers.

COMPANY ENGAGED WITH KNOWTHECHAIN²

Yes (Provided Additional Disclosure).

² Research conducted through November 2020 or through February 2021, where companies provided additional disclosure or links. For more information, see the full dataset <u>here</u>. For information on a company's positive and negative human rights impact, see the <u>Business & Human Rights Resource Centre website</u>.