Deckers Outdoor Corp. (Deckers)

TICKER DECK **MARKET CAPITALISATION**

US\$7.35 billion

HEADQUARTERS

United States

DISCLOSURES

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes

Australia Modern Slavery

Act: Applicability not

determined

OVERALL RANKING

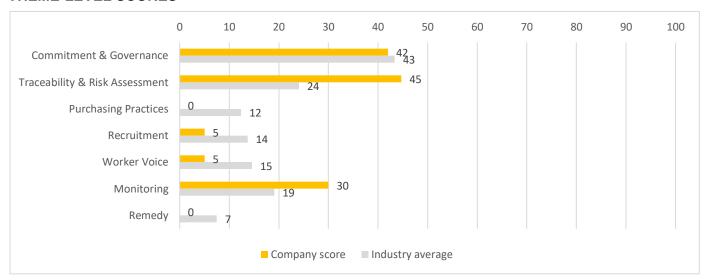
26 out of **65**

2021 Performance

OVERALL SCORE

22 out of 100

THEME-LEVEL SCORES



KEY DATA POINTS

FIRST-TIER SUPPLIER LIST

Yes

RISK ASSESSMENT

No

DATA ON PURCHASING PRACTICES

■ No.

ENGAGED WITH KNOWTHECHAIN²

Yes

NO-FEE POLICY

Yes

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK RAW MATERIALS¹

Cashmere, cotton, rubber, wool, and others



Apparel & Footwear Benchmark COMPANY SCORECARD 2023

SUMMARY

Deckers Outdoor Corp. (Deckers), a US footwear company whose brands include Hoka and Ugg, ranks joint 26th out of 65 companies. Since 2021, the company has strengthened its supplier code to prohibit recruitment fees specifically (as opposed to "pre-employment fees"). It scores higher than average on the themes of Traceability & Risk Assessment and Monitoring, and lower than average across all other themes. The company is encouraged to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Purchasing Practices, and Remedy.

LEADING PRACTICES

Traceability and Supply Chain Transparency: In addition to a first-tier supplier list which includes the names and addresses of suppliers, the company discloses a full second-tier supplier list which includes data on women and migrant workers (at first and second tier).

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: While the company discloses a process for monitoring suppliers, the company is encouraged to assess and disclose forced labour risks across different tiers of its supply chains and disclose how it engages with relevant stakeholders including workers, unions, and civil society organisations to address forced labour risks identified.

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment, and disclose quantitative data evidencing the implementation of responsible purchasing practices. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating <u>responsible buying practices in its contracts</u> with suppliers, to ensure that the responsibility for respecting human rights is shared.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark findings report.

² Research conducted through June 2023 or through September 2023, where companies provided additional disclosure or links. For more information, see the full dataset here. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre website.