

## **CORPORATE GOVERNANCE GUIDELINES**

These Corporate Governance Guidelines (the “Guidelines”) were adopted by the Board of Directors (the “Board”) of Deckers Outdoor Corporation, a Delaware corporation (the “Company”) on September 26, 2017.

The Guidelines are intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While they should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company’s Certificate of Incorporation and Bylaws, they are not intended to establish by their own force any legally binding obligations.

### **PURPOSE**

The Board has adopted these Guidelines to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders. These Guidelines reflect the Board’s commitment to adopting and following sound corporate governance policies, which the Board believes are instrumental in creating long-term stockholder value. These Guidelines are intended to comply with the requirements of the New York Stock Exchange (“NYSE”) Listed Company Manual. These Guidelines are subject to modification from time to time by the Corporate Governance Committee as that committee may deem appropriate in the best interests of the Company and its stockholders or as required by applicable law or the NYSE Listed Company Manual. Additionally, the Corporate Governance Committee reviews and evaluates these guidelines annually.

### **ROLE AND FUNCTIONS OF THE BOARD OF DIRECTORS**

The role of the Board is to oversee and monitor the Company’s management in the interest and for the benefit of the Company’s stockholders. To fulfill its role the Board or a Board committee must perform the following primary functions:

1. oversee the conduct of the Company’s business to evaluate whether the business is being properly managed;
2. review and, where appropriate, approve the Company’s major financial objectives, plans and actions;
3. assess major risk factors relating to the Company and its performance, and review measures to address and mitigate such risks;
4. oversee the process for maintaining the accuracy and integrity of the Company’s financial statements and other public disclosures in compliance with applicable law;
5. evaluate regularly the performance and approve the compensation of the CEO and the Company’s other executive officers;

6. plan for succession of the CEO and monitor management’s succession planning for other executive officers;
7. provide advice and counsel to senior management; and
8. ensure that the Company’s business is conducted with the highest standards of ethical conduct and in conformity with applicable law.

In fulfilling these obligations, the directors are charged with a fiduciary duty to the Company and its stockholders as may exist under the Delaware General Corporation Law, including the fiduciary duties of care and loyalty. The directors should be entitled to rely reasonably on the honesty and integrity of their fellow directors and the Company’s executives and its outside advisors and auditors. The directors shall be entitled to (i) reasonable directors’ and officers’ liability insurance on their behalf; (ii) the benefits of indemnification to the fullest extent permitted by law under the Company’s Charter, Bylaws and any indemnification agreements; and (iii) exculpation as provided by state law and the Company’s Charter.

The Board may discharge its responsibilities either directly or by delegating them to its committees, except that the Board may not delegate any of its responsibilities which, under applicable law or the Company’s Charter, may not be delegated to a committee of the Board. The Board and each Board committee shall have the full power and authority to hire, at the expense of the Company, independent financial, accounting, legal or other advisors, as necessary to fulfill their duties, without consulting or obtaining the approval of any officer of the Company.

The Board should promote policies within the Company that encourage a corporate culture of openness, honesty, fairness and accountability. These policies also should apply to the Board and to relationships among and between the Board, stockholders and employees. The Board should periodically review and amend these policies if needed.

The Board should recognize that the actual management of the business and affairs of the Company should be conducted by the CEO and other executive officers under his or her supervision. In performing the management function, the CEO and other executive officers are obliged to act in a manner that is consistent with the oversight functions and powers of the Board and to execute any specific plans, instructions or directions of the Board. The CEO and other executive officers are further obliged to act in a manner consistent with the Company’s Charter and Bylaws, the Company’s policies and applicable law.

## **DIRECTOR QUALIFICATIONS**

Independence: The Board shall have a majority of directors who meet the independence criteria adopted by the Board. The independence criteria are discussed below under “Director Independence.”

Qualifications: A director should possess personal and professional integrity, have good business judgment, relevant experience and skills and be an effective director in conjunction with the full Board in collectively serving the long-term interests of the Company stockholders. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities as a member of the Board and its committees, as applicable, in accordance with applicable law and the Charter and Bylaws of the Company.

Size of Board: The Board shall determine the appropriate size of the Board within the requirements of the Company’s Charter and Bylaws.

Selection Process: In accordance with the policies and principles in its charter, the Corporate Governance Committee is responsible for identifying and recommending potential director nominees to the Board for its approval when there is a vacancy on the Board. In determining whether to recommend any particular candidate for inclusion in the Board’s slate of recommended director nominees, or to appoint such candidates to fill vacancies on the Board, the Corporate Governance Committee considers a number of factors, including the candidates character and integrity, business acumen, applicable experience, potential conflicts of interest and the ability to act in the best interests of all stockholders. The Corporate Governance Committee does not assign specific weights to particular criteria, and no particular criterion is a prerequisite for each prospective nominee. The Corporate Governance Committee also believes that differences in experiences, knowledge, skills and viewpoints enhance the Board’s performance. Thus, the Corporate Governance Committee considers such diversity in selecting, evaluating and recommending proposed director candidates. Stockholders of the Company may propose candidates in accordance with the instructions provided in the Company’s most recent proxy statement.

Annual Review of Independence and Qualifications: The Corporate Governance Committee shall arrange for a questionnaire to be distributed annually to the Board that includes questions that allow the committee to assess the directors’ independence and qualifications.

Resignation from the Board: An individual director should promptly communicate with the Board in the event the director’s principal occupation or business association changes substantially from the position he or she held when originally invited to join the Board. The Board should consider the continued appropriateness of the director’s membership on the Board under the changed circumstances and then the Board should determine whether or not to request the director’s resignation. A director should also promptly communicate with the

Board in the event there is a substantial conflict of interest between the director and the Company or the Board and such conflict cannot be resolved to the satisfaction of the Board. The Board should consider the continued appropriateness of the director's membership on the Board in light of the conflict of interest and then the Board should determine whether or not to request the director's resignation.

Retirement from the Board: The Board does not believe that it should establish age limits. The Board believes that each director candidate should be evaluated based upon what he or she can contribute to the Board.

Recusal when Conflict of Interest: Prior to any Board discussion or decision related to any matter that potentially affects a director's personal, business or professional interests, that director should (i) disclose the existence of the potential conflict of interest to the Chairman of the Board and (ii) if the Chairman of the Board (in consultation with legal counsel) determines a conflict exists or the perception of a conflict is likely to be significant, recuse himself or herself from any discussion or vote related to the matter.

Limit on Number of Public Board Memberships: No director may serve on more than four public company boards, including the Company. A director should advise the Chairman of the Board, the Chairman of the Corporate Governance Committee and the General Counsel in advance of accepting an invitation to serve on another public company board. Furthermore, a director will need written approval from the Chairman of the Board and the General Counsel when serving as a director of another for-profit company.

Term Limits: The Board does not believe it should establish term limits. The Company and its stockholders both benefit from Board continuity and stability and by allowing directors to focus on long-term business strategies and results.

Share Ownership: Within five years of initial election to the Board, directors must own and maintain, directly or through Company plans, shares of Company common stock (including common stock equivalents held through Company plans) equaling five times the annual cash Board retainer fee (not including any additional fees paid for committee assignments and service as a committee chair) paid to non-employee directors in any given fiscal year within the five year period. Furthermore, within one year of initial election, directors must own and maintain directly or through Company plans, shares of Company stock (including common stock equivalents held through Company plans). The Company has also adopted Executive Officer Stock Ownership Guidelines for its executive officers.

## **DIRECTOR INDEPENDENCE**

A majority of the members of the Board and all members of the Audit, the Compensation and the Corporate Governance Committees shall be independent. The Board must make an affirmative determination whether or not a director is independent and disclose this determination in the proxy statement relating to each annual meeting of stockholders.

The term independent is defined in accordance with the rules of the New York Stock Exchange Listed Company Manual, the Sarbanes-Oxley Act and the Board's business judgment. An "independent director," according to Section 303A.02 of the NYSE Listed Company Manual, is a person that has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). The Board has the responsibility to make an affirmative determination that no such relationships exist. In light of the requirements of the NYSE Listed Company Manual, the Board will determine that the following directors are not independent:

- A director who is, or at any time during the past three years was, employed by the Company, or an immediate family member is, or has been within the last three years, an executive officer of the Company.
- A director who receives, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than (x) director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service) and (y) compensation received by an immediate family member for service as an employee of the Company (other than as an executive officer).
- (A) A director who is or has an immediate family member who is a current partner of a firm that is the Company's internal or external auditor; (B) a director who is a current employee of such a firm; (C) a director who has an immediate family member who is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (D) a director who was or has an immediate family member who was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company's audit within that time.
- A director who is, or has an immediate family member who is, or has been within the last three years, employed as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee.
- A director who is a current employee, or has an immediate family member who is a current executive officer, of a company that makes payments to, or receives payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

For any relationships not covered above, the determination of whether these relationships are material or not and whether the director would be independent or not, shall be made by the directors who satisfy the independence standards set forth in this section. In making these determinations, the Board shall examine all factors that may appear to affect independence, including business, financial, banking, legal, accounting, charitable, familial or personal relationships.

The Company and its affiliates shall not make any personal loans or extensions of credit to directors or executive officers. All directors shall only receive compensation for Board and/or Board committee service in accordance with policies approved by the Board. The payment of consulting, advisory or other compensatory fees to a director from the Company or one of its affiliates is prohibited.

Each director has an affirmative obligation to inform the Board of any material changes in his or her circumstances or relationships that may impact his or her designation by the Board as “independent.”

In addition to the foregoing provisions, members of each Committee, as applicable, must satisfy additional requirements to be considered independent as provided for by the SEC, the NYSE Listed Company Manual and other applicable law.

Under Section 162(m) of the Internal Revenue Code, as amended, a member of the Compensation Committee is an outside director if the director:

- is not a current employee of the Company;
- is not a former employee of the company who receives compensation for prior services (other than benefits under a tax-qualified retirement plan) during the taxable year;
- has not been an officer of the company; and
- does not receive remuneration from the Company, either directly or indirectly, in any capacity other than as a director.

## **BOARD MEETINGS**

The Board expects to have four regularly scheduled meetings each year. Upon adequate notice, unscheduled meetings may be called throughout the year as the need arises. The Chairman of the Board shall consult with the other Board members in determining the times and duration of the Board meetings. The Board may also take action from time to time by unanimous written consent as it deems necessary or appropriate.

Meeting Attendance: Directors are expected to attend meetings of the Board and of the committees on which they serve. Directors also are expected to devote an adequate amount of time and effort to discharge properly their responsibilities. Directors are expected to attend the Company's annual meeting of stockholders.

Board Materials: Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should be distributed to the directors sufficiently in advance of the meeting to permit their review. Directors are expected review these materials in advance of the meeting. A director may request that the



CEO or appropriate member of senior management present to the Board specific information as it relates to the Company and its operations.

Board Meeting Agenda: The Chairman of the Board, shall establish the agenda for each Board meeting. Each director shall be furnished with a copy of the agenda in advance of the Board meeting if possible, and if advance distribution is not possible, then the agenda shall be distributed at the Board meeting. Each director may suggest the inclusion of agenda items. Each director can bring up, at any Board meeting, subjects that are not on the agenda for that meeting.

Non-Management Executive Session of Directors: The non-management directors shall meet in executive session after each regularly scheduled Board meeting or more frequently, if necessary.

## **BOARD COMMITTEES**

The Board shall have at all times an Audit Committee, a Compensation Committee and a Corporate Governance Committee. All members of these Committees shall be independent directors as determined by the Board in accordance with the aforementioned independence criteria. Committee members shall be appointed by the Board upon recommendation of the Corporate Governance Committee.

The Audit Committee, Compensation Committee and the Corporate Governance Committee each shall have a written charter that sets forth the committee's structure, membership qualifications, purposes, responsibilities, and procedures for appointing and removing committee members. The charters also shall provide that each committee annually evaluates its performance.

Each committee chairman, in consultation with the committee members, shall determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. Each committee chairman, in consultation with the appropriate members of the committee and management, shall develop the committee's agenda. Each committee shall regularly report to the Board its activities, findings and recommendations.

The Board may, from time to time, establish or maintain additional committees of the Board with such powers and authority as shall be determined in accordance with the Company's charter and Bylaws, the Board resolutions pursuant to which the committee was established and applicable law.

Each committee shall have the full power and authority to hire independent legal, financial or other advisors as it may deem necessary, without consulting with or obtaining the pre-approval of any Company officer or the Board.

Any director may attend any committee meetings, whether or not he or she is a member of that committee, providing that he or she has obtained pre-approval to attend from the committee chair or a majority of the committee.

### **CHAIRMAN OF THE BOARD**

The Board will appoint the Chairman of the Board who may be (but is not required to be) the CEO. The Chairman will chair all regular sessions of the Board and, set the agenda for Board meetings, subject to the right of each Board member to suggest the inclusion of item(s) on any agenda.

### **DIRECTOR ACCESS TO OFFICERS, EMPLOYEES AND INDEPENDENT ADVISERS**

Directors are encouraged to keep themselves informed with regard to the Company and its operations. Directors shall have full and free access to Company officers and employees. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO, the General Counsel or directly by the director. Directors shall use their judgment to ensure that any such contact is not disruptive to the Company's business operations and shall, to the extent that it is not inappropriate, copy the CEO on any written communications between a director and a Company officer or employee.

Directors may request to have executive officers of the Company and other employees attend Board meetings. Directors will also have access to the Company's independent advisors following consultation with the CEO to the extent not inappropriate. The Board may hire independent advisors, experts or legal counsel in connection with discharging its duties to the Company. In addition, any committee may hire such advisors in connection with discharging its duties to the Company as set forth in the applicable committee charters. The Company will pay all expenses incurred by the Board or any committee in retaining or utilizing the services of any such advisors.

### **INTERACTION WITH STOCKHOLDERS AND OTHER CONSTITUENTS**

The Board believes that the CEO and other members of the executive management team should generally make communications on behalf of the Company, whether to stockholders, customers, employees, or other constituents of the Company. If individual directors receive inquiries from any such constituents regarding the Company's operations or management, they should generally refer such inquiries to management. Management will work with the Board to determine an appropriate response to inquiries that, in the discretion of management, require Board input or approval. Individual Board members may, from time to time and at the request of the management, meet or otherwise communicate with various constituents of the Company.



## **DIRECTOR COMPENSATION**

All directors shall receive compensation for Board and/or Board committee service in accordance with policies approved by the Board. Directors' fees may be in the form of cash, Company stock, including options and restricted stock, or combination thereof, as well as any additional benefits approved by the Board. The exact amount and form of director compensation shall be reviewed annually by the Compensation Committee in accordance with the policies and principles set forth in its charter and shall be approved by the Board. See also the "Share Ownership" section under "Director Qualifications" above.

## **DIRECTOR ORIENTATION AND CONTINUING EDUCATION**

All new directors shall receive an orientation package. The package will include a copy of the Company's Bylaws and Charter, the Code of Ethics, the Corporate Governance Guidelines, all SEC filings for the current year and last preceding calendar year, press releases issued during the current calendar year and any other pertinent information. The new director will attend a meeting with the CEO and CFO to be briefed on the Company's strategic plans, its significant financial, accounting and risk management issues and current significant exploration and development projects.

All directors must receive director education in subjects relevant to the duties of a director, including the study of corporate governance best practices or ethics. This education may be as a result of a program planned by the Company or by the director attending a pre-approved seminar or webinar, with all expenses paid by the Company.

## **CEO EVALUATION AND MANAGEMENT SUCCESSION**

The Corporate Governance Committee shall conduct an annual review of the CEO's performance, as set forth in its charter. The Board shall review the Corporate Governance Committee's report during an executive session.

The Corporate Governance Committee shall make an annual report to the Board on emergency as well as expected CEO succession planning. The entire Board shall work with the Corporate Governance Committee to nominate and evaluate potential successors to the CEO. The CEO shall provide the Committee with his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

## **ANNUAL SELF-EVALUATIONS**

The Corporate Governance Committee shall have responsibility for conducting and overseeing the annual self-evaluations for the Board and reporting the results to the Board following the end of each fiscal year. The evaluations will be based on such objective and subjective criteria, as the Board deems appropriate.

## **CODE OF ETHICS**

The Board shall adopt and maintain a Code of Ethics (the “Code”) that is applicable to the directors, officers and employees of the Company. The Code shall be posted on the Company’s website. The purpose of the Code shall be to focus the directors, officers and employees on areas of ethical risk, provide guidance in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of honesty and accountability.

Waivers of the Code for any officer or director may only be made by the Board of the Company. Any waiver for an officer or director must be posted on the Company website and otherwise disclosed as required by law and the NYSE Listed Company Manual.

## **REPORTS OF IRREGULARITIES**

Any reports of concerns regarding accounting, internal auditing controls, or other irregularities or concerns whether financial or otherwise shall be brought to the attention of the Chairman of the Audit Committee. These reports are confidential and may be anonymous if made using the Anonymous Reporting Hotline maintained by the Audit Committee. The Board shall be notified of these reports at every quarterly Board meeting or sooner, if necessary.