



# crocs<sup>tm</sup>

## 2012 sustainability report





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# from our ceo

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What good are comfortable shoes if you live on an uncomfortable planet?

That's the philosophy guiding Crocs on our sustainability journey, as documented in this, our first Sustainability Report.

Crocs is known and loved around the world by millions of people for the quality of our footwear, especially the unique "Crocs Inside" comfort produced by our unique Croslite™ material. We also aspire to be known for our commitment to operating our company in a responsible manner and helping make the world better for all of our stakeholders.

This Sustainability Report explains our approach to sustainability, sets forth our initial goals and provides baseline metrics against which our future performance can be tracked. We are reporting using the Global Reporting Initiative (GRI) framework. GRI guidelines are used by more than 3,000 organizations from 60 countries to produce sustainability reports, including those from other global leaders in the lifestyle footwear sector.

We began our sustainability journey with a unique advantage. Croslite™ is the material that makes our shoes so comfortable. Leftover Croslite™ material from the manufacturing process can be reused to create new products and reduce consumption of raw materials.

The unique and innovative design of Crocs™ shoes also gives us an advantage. Our shoes are simple. We have rejected traditional footwear shoe construction methods that often contain materials such as sockliners, stroble socks, toe puffs, and heel counters. As a result, we use fewer raw materials and produce less waste than traditional footwear.

Reducing or eliminating waste in our products, manufacturing processes as well as distribution, and creating or supporting end-of-life systems that reduce waste, are key pillars of our sustainability approach. Looking ahead, here are two more initial focus areas for us:

- **Sustainable product innovation** - Tapping into the ingenuity and creativity that makes Crocs™ shoes so comfortable, attractive, and fun to wear. Through our sustainability program, we're dedicated to innovating for labor efficiencies, efficient material use, manufacturing processes, product design, packaging, and distribution.
- **Raw materials** - Moving beyond regulatory compliance to eliminate or minimize our use of all substances known or believed to be harmful to human or ecological health, such as volatile organic compounds (VOCs) and restricted substance chemicals.





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Another important aspect of sustainability is ensuring that the workers who make our shoes are treated fairly by our manufacturing business partners around the world. Earlier this year, we introduced the revised Crocs Supplier Code of Conduct. The Supplier Code of Conduct is a set of clear expectations on working conditions, pay, employee health and safety, and compliance with local laws and regulations on employment. We are monitoring performance of our partners in these areas and violations of our Supplier Code of Conduct may result in cancelled orders, termination of contracts, and/or legal action. ***We take the treatment of the people who make Crocs™ shoes very seriously.***

We also take seriously our company's unique ability to help others. Crocs™ shoes are uniquely suited to assist in protecting feet from foot<sup>m</sup> borne diseases, particularly in the developing world or in areas hit by natural disasters. Through our Crocs Cares program, we've donated more than three million pairs of shoes to people in need in the United States and around the world in countries ranging from Afghanistan to Tanzania.

I would like to say thank you to the team of employees at our headquarters and around the world who have worked hard to make this first corporate sustainability report a reality. Also, to the Crocs team members worldwide who help operate our company in a sustainable, responsible way.

I encourage you, the readers of this Report, to join us as we continue our sustainability journey at Crocs. We have a ways to go—but at least we are wearing the world's most comfortable shoes. We invite your comments on this Report at [responsibility@crocs.com](mailto:responsibility@crocs.com).

Sincerely,



John McCarvel  
President and CEO  
Crocs, Inc.

*With a spirit of innovation, ingenuity and creativity, we're always striving to be better. It's this spirit that guides our efforts to operate in a manner that respects and enhances our people, our environment and our global community.*

**our approach**



# crocs' approach to sustainability

Many famous companies started in a garage. Crocs started on a boat. On a sailing trip in 2002, three friends had an idea for a better boat shoe. With that, the first pair of Crocs™ shoes was born. And now, ten years later, we offer hundreds of new styles that continue to redefine lifestyle footwear.

With that spirit of innovation, ingenuity, and creativity, we're always striving to be better. It's this spirit that guides our efforts to operate in a manner that respects and enhances our people, our environment, and our global community.

Collectively, we call this sustainability. It's really just operating responsibly for the future.

We view our efforts in three categories:

**1. Factories & Suppliers**

**2. Environment**

**3. Communities**

The report that follows details our efforts in each field and our commitments today and into the future.

## Sustainability Governance

A Compliance Council oversees our sustainability program and shares results with the Board of Directors. This group comprises leaders from across the company including representatives from legal, operations, product development, internal audit, finance and human resources. The Council works with departments inside the company to drive our sustainability program and also reports up to the Board through the Chief Legal Officer on our results. The Council developed the Supplier Code of Conduct, which addressed key risks and opportunities facing the company.

This past year, we worked with a group of Executive MBA students at the University of Denver to amplify our efforts to ingrain sustainability in our company. The students conducted a review of our operations, and made recommendations for how we might accelerate progress already being made in areas. These areas included driving sustainability into

operations, reducing volatile organic compounds (VOCs), water and electricity use, as well as improving communications with workers in our factories. In 2013, we'll continue to draw from their expertise in order to amplify our progress.

**“Measures to improve a company’s environmental footprint and social practices are only impactful if driven down through every level of the company. Crocs understands this and we’re thrilled to work with them to implement best practices for driving sustainability into their operations.”**

– Kerry Plemmons, Clinical Professor,  
Executive and Professional Education, Daniels  
College of Business, University of Denver

## Challenges and Opportunities

No company is immune from the social, economic, and environmental issues impacting the communities in which it operates, and Crocs is no exception. This presents both challenges and opportunities for our business. While every aspect of our business faces its own set of challenges and opportunities, there are two areas that transcend an individual business unit and go to the core of who we are as a company and the values we try to uphold.

One area is our commitment to respect the people who make our shoes, whether it is in a factory we own or in a factory owned by one of our suppliers. We are dedicated to providing a safe and healthy work environment in these factories. For example, we require suppliers who do business with us to go through a thorough audit process. These audits address virtually every aspect of working conditions within our factories. Additionally, we have recently revised our Supplier Code of Conduct and have increased the number of unannounced onsite audits we perform each year at the factories that make our shoes. If a factory is found to be non-compliant, we meet with factory senior leadership, identify corrective measures to be taken and monitor their progress. We also provide



employees at these factories with means to voice any grievances or suggestions to improve working conditions in a confidential and anonymous fashion. We go into greater detail on these issues in the ‘Factories and Suppliers’ section of this Report. We continually evaluate our progress in this area and are committed to strengthening our policies and practices so that we ensure a safe, healthy, and productive work environment in all of our factories.

Another area that presents both challenges and opportunities for Crocs, as it does for many companies, is the fact that we live in a world with finite natural resources. Within a generation, the middle class in developing countries could more than double, which will impact the ways in which companies use and reuse natural resources. Doing more with less presents a challenge not just to Crocs, but to the entire apparel and footwear industry, as we depend on these resources to make and manufacture our products. But, this growing strain on natural resources also presents a business opportunity for Crocs. For example, our shoes inherently use less material than most and scraps created while manufacturing shoes with our Croslite™ material may be reused.<sup>1</sup> With a focus on continually improving our design and manufacturing process, we are confident that we can adapt to this emerging trend in ways that reduce the natural resources we use, minimize the waste that is produced, and create new market opportunities for our business.

In the Report that follows, you’ll find a greater discussion on these trends as well as other top sustainability-related issues facing our company.

<sup>1</sup>While Crocs™ shoes are not made from recycled content, our use of scrap materials does reduce our raw material consumption.



## Goals: looking ahead

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We're pleased to present our first report, and what gets us even more excited is where we'll try and go from here. These goals will guide our progress:

**Streamline our audit process across all owned factories and contract manufacturers.**

All factories are being audited to ensure that they meet the Supplier Code of Conduct and comply with laws and regulations. Our goal for 2013 is to ensure that our rigorous audit process is in place for all factories.

**Enhance social compliance performance throughout our supply chain.**

Our goal for 2013 is to reach 90 percent compliance for our contract manufacturers on the Environmental, Social, and Corporate Governance Audit Survey (Audit Survey), which is comprised of 125-plus questions pertaining to various business elements.

**Reduce annual VOCs by ten percent in 2013 against our 2012 baseline.**

We aim to reduce our VOC emissions to 24.3 grams per pair in 2013, a 10 percent reduction over our 2012 baseline of 27.0.

**Increase percentage of reused Croslite™ material content to ten percent.**

Croslite™ material is what gives the shoes their bounce with each step. Our goal is to increase the percentage of Croslite™ material scraps used in new products to ten percent, up from the five percent 2012 baseline.

**Formalize rubber scrap reprocessing & material scrap take-back programs**

While reducing Croslite™ scrap is our first goal, we also consume rubber and are setting a goal to formalize a program to reuse excess rubber. This cuts material use, which reduces our impact on the environment and benefits our bottom line.

**Conduct first greenhouse gas (GHG) emissions inventory.**

An important part of our environmental footprint is our GHG emissions. We will establish and publish our benchmark inventory on corporate headquarters and manufacturing emissions at our factories in 2013.

**Drive sustainability further into the core of our business.**

We will continue our work with the University of Denver Executive MBA program to identify ways to drive sustainability further into our business.





## Stakeholder Engagement

Crocs engages a wide range of stakeholders that directly and indirectly impact our business. Our method of engagement depends on the task at hand, but all are important to our business success. Our primary stakeholder groups include:

- Employees
- Customers
- Investors
- Advocacy organizations
- Industry associations

## About This Report

This Report aligns to the Global Reporting Initiative (GRI) G3 guidelines at a Level C. A full table is in the back of the Report. We followed GRI materiality guidance for identifying the topics most relevant to our organization. During this process, we interviewed individuals across the organization, as well as key stakeholders, including some of our investors for their input. The topics we determined as most relevant populate the following pages of this Report.

The data in this Report covers our six largest owned and contract factories as of October 2011—three in China, one in Mexico, one in Bosnia, and one in Italy—as well as our United States headquarters, where noted. At the beginning of the reporting period in October 2011, these factories each produced five percent or more of our total product. Any factory with lower production percentage was not included in this year's Report. The excluded group includes less than five percent of our total production.

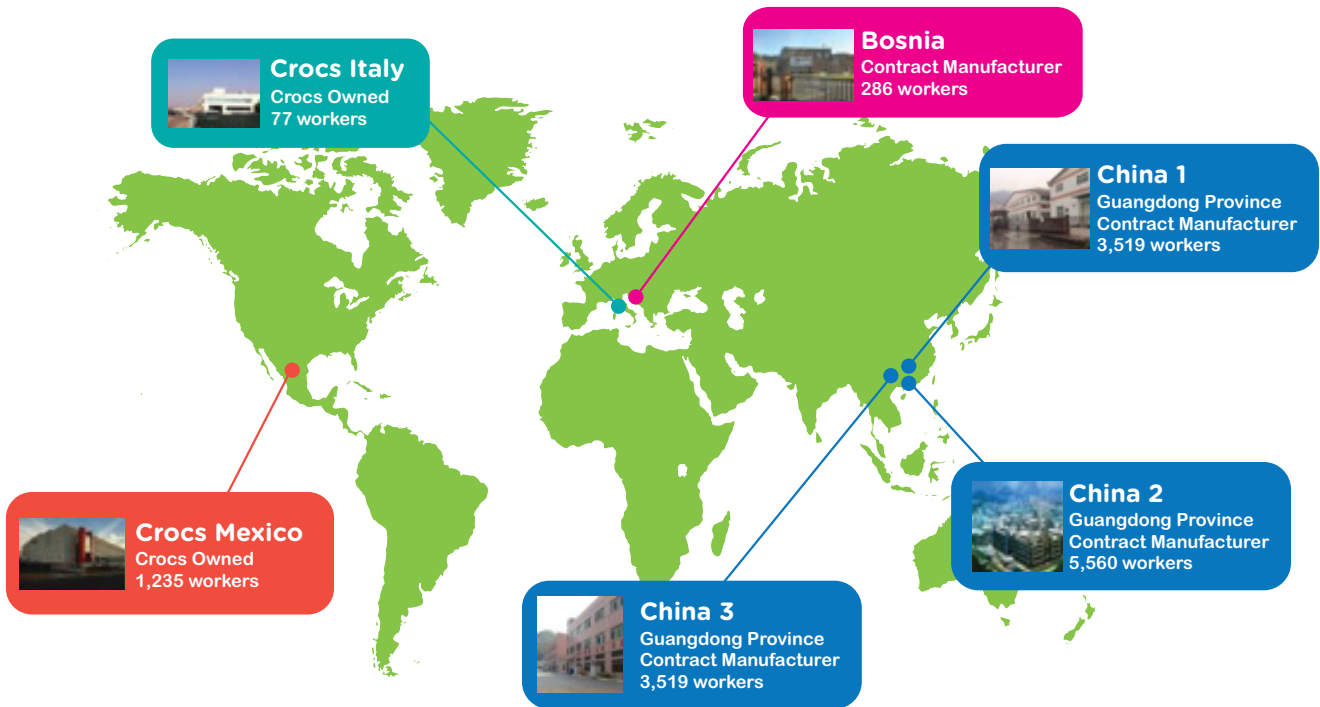
For our next report, we will look to broaden the scope of our reporting where we deem appropriate.

*The success of our company lies in the success of our people. It is our commitment to ensure that workers who produce Crocs™ shoes enjoy a safe, healthy and comfortable work environment.*

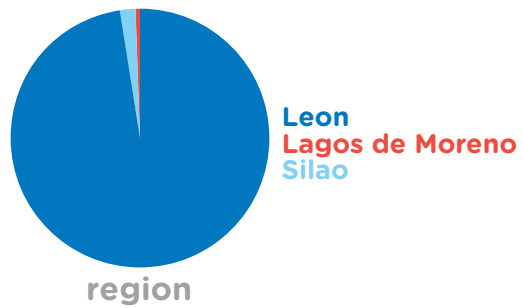
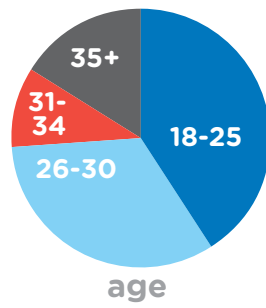
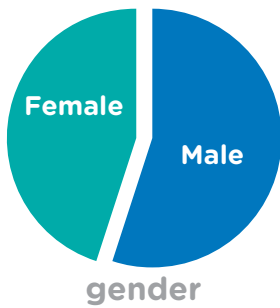


**workplace &  
suppliers**

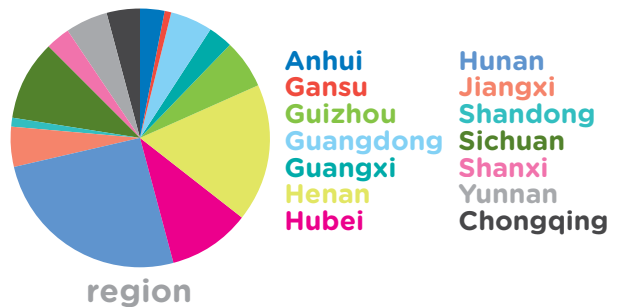
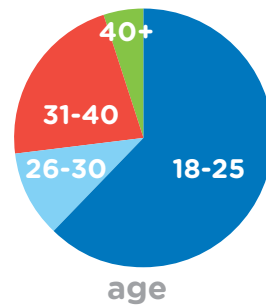
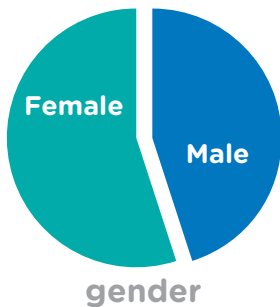
# Our Factories



## Mexico



## China



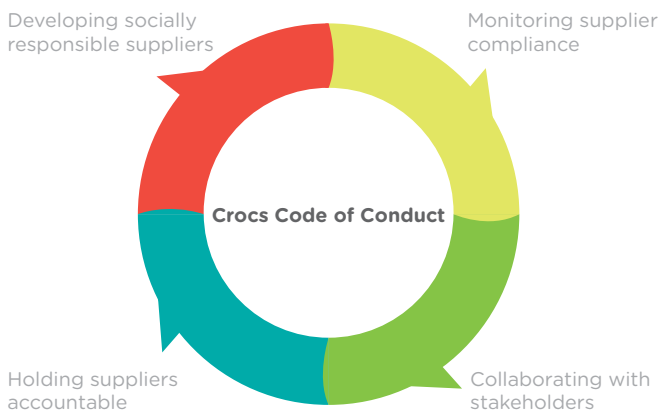
Breakdowns for Italy and Bosnia not available at time of reporting

# workplace & suppliers

The success of our company lies in the success of our people. It is our commitment to ensure that workers who produce Crocs™ shoes enjoy a safe, healthy, and comfortable work environment.

## Social Compliance at Crocs

We take social issues seriously. This is why the results of our supply chain audits and remediation programs are presented quarterly to senior company leadership and annually to our Board of Directors and why we are continually improving compliance in our supply chain.



## Supplier Code of Conduct

We enforce our [Supplier Code of Conduct](#) across all business operations. We recently revised our Supplier Code of Conduct to reflect the evolving international guidelines for corporate supply chain conduct. This Supplier Code of Conduct applies to each of our factories (workers and management), first and secondary manufacturers, material suppliers, and distributors. The updated Supplier Code of Conduct, printed on the next page, reflects the best practices in the industry, which we reviewed and helped shape through our membership in the [Global Apparel, Footwear and Textile Initiative](#) (GAFTI). GAFTI is a consortium of footwear and apparel

companies who seek to create universal auditing standards across the industry. For more information about our work with them, please see the Recognition and Partnerships section of our Report, which begins on page 38.

### In building our Supplier Code of Conduct, we used references including:

- Business Social Compliance Initiative (BSCI)
- ETI - Ethical Trading Initiative
- FLA Workplace Code of Conduct - FLA 3.0
- ICFTU/ITS Basic Code of Labour Practice
- ICS - Initiative Clause Sociale
- SA 8000
- CSC 9000 - China SC
- UN Global Compact
- WRAP Principles
- IRCA - Guidelines

Policies such as our Supplier Code of Conduct are a critical component of any company's compliance program, but if they're not enforceable, they're merely a piece of paper. We recognize this, and we pair our Supplier Code of Conduct with substantial - and growing - audit, remediation, and training programs.

## Auditing & Monitoring



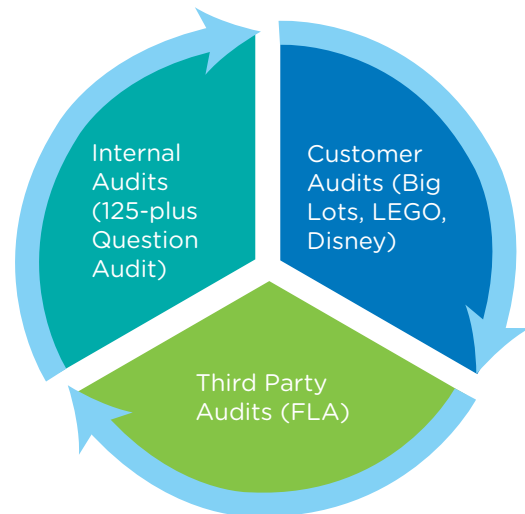
We strive to continually improve conditions for workers in our owned factories and contract manufacturing facilities. Factories are covered by several forms of audits based on internal standards and licensor agreements. We've been making progress on standardizing the rules, expectations, and protections for everyone involved in our supply chain.

### Internal Audit Survey

Our contract manufacturers are subject to our thorough 125-plus question Audit Survey, which is filled out by the onsite Crocs-employed auditor. The Audit Survey covers the gamut of social and environmental compliance\* issues, including:

- Laws & Workplace Regulations
- Age Documentation & Hours Worked
- Child Labor
- Involuntary (Forced) Labor
- Harassment & Abuse
- Discrimination
- Freedom of Association
- Health, Safety, & Working Conditions
- Personal Protective Equipment (PPE)
- Chemical Storage & Handling
- Electrical / Fire Safety
- Emergency Preparedness
- Dormitory Safety
- Compensation (free of unlawful deductions in salary)
- Hours of Work / Overtime / Payment
- Environmental Protection

## Upholding the Crocs Supplier Code of Conduct



Our goal for 2013 is to require the Audit Survey for all of our owned factories and contract manufacturers. The Audit Survey is reviewed during factory audits that are conducted by a dedicated team inside Crocs. This team enforces and ensures that factories comply with the Supplier Code of Conduct, as well as the laws of the country it is in. In 2012, most of our factories were at least once, and some were audited quarterly. By the end of 2013, all factories will be audited at least once a year against standardized metrics.

Our audit schedule includes announced, surprise, and informal audits. Audited factories score from 0-100 points, with 100 being perfect. Our goal for 2013 is to reach 90 percent compliance for our Tier 1 suppliers.

Audits apply to 100 percent of our Tier 1 suppliers - which produce more than 80 percent of our overall volume, as well as our contract manufacturers and owned factories. Tier 2 suppliers are reviewed through the checklist in our procurement process and key component suppliers are audited through random checks where warranted. Informal audits consist of Crocs employees walking the floors, chatting with employees, and observing operations.

***\*Read more about Environmental Management page 25***







## Customer and Third Party Audits

Third party organizations and brands that sell Crocs™ shoes also provide important oversight of working and environmental conditions in our supply chain. The Fair Labor Association (FLA) conducts random audits on our factories as a requirement of our membership. FLA is a third-party organization that helps companies in our industry, major footwear and clothing manufacturers, among others, monitor working conditions more efficiently through its standards, monitoring, and compliance support. You can read more about our work with FLA in the Recognition and Partnerships section of this report, which begins on page 38.

Crocs factories are also audited by several third party organizations including certain large customers such as Disney, Big Lots, and LEGO. We welcome these audits and have worked with these organizations to ensure that our internal audits are in line with their expectations. These brands' auditors provide an extra set of eyes and layer of protection for the factories where we contract space. None of these third party groups have found major violations at our factories.

## Employee Grievance Mechanisms

In addition to the audit process, we also have several mechanisms through which employees can voice their grievances with working conditions at the factories. Factories have terminals where employees can anonymously email or call in complaints or suggestions. Currently, we are reviewing several best-in-class systems through our work with GAFTI and are determining if they make sense for Crocs. We are always looking for ways to enhance this system, as we want the workers in our supply chain to be confident their voices are heard.

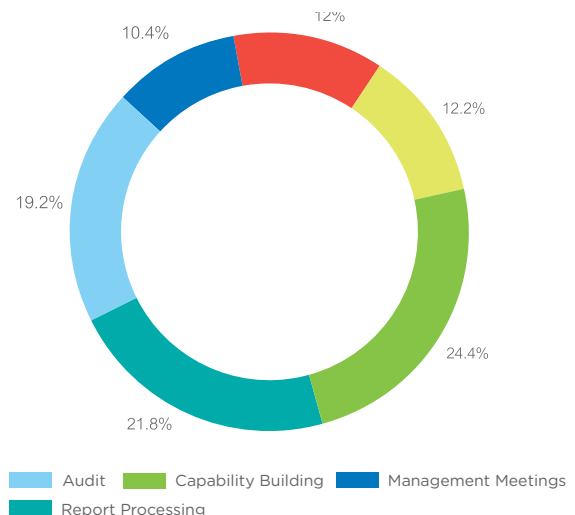
## Remediation

Our remediation program is designed to address infractions immediately and effectively – going to the problem at its root cause. We will continue to expand the program and standardize it across all factories. The program is tiered relative to the severity of any violations found. More severe violations and lower audit scores demand a more immediate and aggressive response plan. They are also reviewed immediately by our Vice President of Global Manufacturing. In the case of any level of

violation, our remediation program immediately kicks in.

We've learned, along with our peers in the footwear and apparel industry, that it is often more impactful to work with our suppliers and factories. Collaboration allows our company to address infractions by putting strong programs and practices into place that help them meet our standards, rather than cutting ties when there are violations – with the exception of certain severe infractions. Remediation builds trust in our supply chain. It also lays the foundation for long-term capacity to comply with our standards. Both of these lead to better environmental and social outcomes in our supply chain.

When we uncover violations, we implement Corrective Action Plans (CAPs) to address the violations. Importantly, our CAPs are not uniform. Each of our factories has different strengths and weaknesses on social and environmental issues, and we work with them to find their best remediation strategy. The process begins with a meeting with the factory management. We show the managers the audit results and explain the violation. We then use root cause analysis to identify the systemic reasons for the violation and create a plan to address the violation. Our goal is to ensure systems are put in place so that the violation won't reoccur. We give the factory a timeline for implementation, and they prove that practices have changed by submitting photographic evidence. Additionally, we will visit again in person during the next quarterly audit cycle, if not sooner. Below is an allocation of the Social Compliance team's time.



## Yenta Program in Mexico

The Yenta Program, or “Think” Program, at our Mexico factory reminds factory workers and management to always put safety first. Yenta Program activities include:

- **Training** - Factory supervisors are trained as group leaders for weekly safety courses. Each week, the leaders teach mini-courses to their factory floor group on the safety focus for the week. One week, trainings may be on wearing ear protection. The next week it may be on proper ventilation.
- **Safety walks** - Our factory administrative team walks the floor with an audit checklist. In doing so, the office team stays aware of conditions on the factory floor and the people on the floor know that the management team is involved and engaged.
- **Environmental Health and Safety (EH&S) Week** - 2012 saw our second annual EH&S Week. During the week, we host workshops on various EH&S topics. Additionally, health providers visit the factory and provide discounted services. This program also includes a giving back component. Every worker who wants to adopt a tree signs a commitment to plant it and care for it. So far, the factory team has adopted 600 square feet from the Mexico National Forest Commission.

## Training

Strong training programs are critical to a successful social compliance program. In addition to CAPs and remediation, we have ongoing programs to train factories and workers on best social and environmental practices. This training takes the form of periodic supplier meetings, new supplier orientations, in-field consultation and support, and best practice sharing, which is both from Crocs-to-the field and from factory-to-factory.

At the most basic level of training, all new employees, factories, suppliers, and vendors are taught about the Supplier Code of Conduct. It is translated into the local language(s) and clearly posted at each facility.



Crocs first Supplier Code of Conduct training session in 2009

All Crocs employees are also trained on the [Business Code of Conduct and Ethics](#), which more broadly covers topics such as accurate reporting, bribery, and gift giving, conflicts of interest and equal opportunity employment. In 2012, 92 percent of our employees completed this training.

We also host quarterly business reviews with factory leadership together in one room. One day of the meeting is dedicated to best practice sharing. These discussions, which cover topics from improving behavior to choosing safer, more efficient machinery and the use of labor, have resulted in tangible improvements.

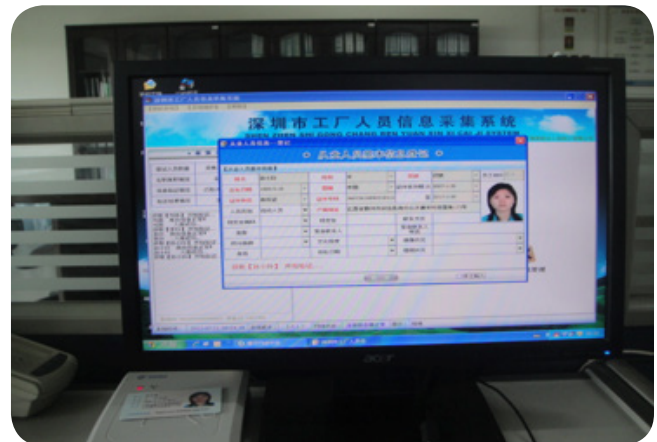
## Employee Safety and Healthcare

The health and safety of our workers is of the utmost importance. We uphold strict safety standards and host mandatory trainings, which you read about throughout this section. Healthcare is available to qualified workers at both our owned factories and contract manufacturers.

2012	Annual Sick Days Per Worker	Annual Injuries Per Worker	Annual Serious Injuries Per Worker	Fatalities
China 1	0.200	0.000	0.003	0
China 2	0.000	0.000	0.000	0
China 3	0.200	0.000	0.000	0
Mexico	0.400	0.000	0.004	0
Italy	4.400	0.500	0.000	0
Bosnia	4.300	0.300	0.000	0

## Child Labor

As stated in our Supplier Code of Conduct, Crocs' business partners will not employ any person under fifteen years of age if local minimum age law stipulates a higher age for work or mandatory schooling, the higher age shall apply. In order to enforce this, our Chinese headquarters, for example, has an ID scanning machine that can identify a fake ID. If the ID is false, the worker is escorted off of the premises.



## Biggest Challenges

- Overall, our factories perform well in our audits. Our challenges vary by factory. For example, in two of our Chinese facilities, overtime was one of the most common violations that we found. When this happened, our remediation program helped the facilities that were not in compliance improve their labor systems and reduce overtime hours.
- At our Mexico factory, we are especially focused on ensuring all workers use the proper safety equipment. We have developed a comprehensive safety program at the factory.
- In Italy, auditors found that strengthening training on specific areas would improve factory performance. In response, we will implement more specific technical training in the manufacturing process.

## Biggest Accomplishments

- This past year we saw continual improvement in working conditions at our factories as a result of deliberate efforts to strengthen training for our factories and our Tier 1 and 2 suppliers on this important topic. Immediately after training classes, we followed up directly with participants with any concerns we had. Further out from the training, we conducted drop-in audits to ensure progress continued.
- Each factory now has one internal leader in charge of audits. These audits are conducted at least once per year, and now extend beyond company-owned factories and Tier 1 suppliers. We have begun to audit our top ten Tier 2 suppliers.

## Looking Ahead

- Our goal for 2013 is to standardize our rigorous audit check list process across all of our owned factories and contract manufacturers.
- By the end of 2013, we are striving to have all contract manufacturers at 90 percent or better on the audit checklist.
- Over the next 3 years, we will extend our social and environmental compliance program to a select group of most critical vendors to further improve their performance. We will continue to expand our program to Tier 2 and eventually Tier 3 suppliers.
- Finally, as we work with other brands, both peers in our industry groups and brands that sell Crocs™ shoes, we will continue to improve training and requirements as well as react to social, economic, and regional developments.







*Protecting a healthy  
environment for generations  
to come is imperative to us at  
Crocs.*

A large, light teal, stylized number '3' is positioned in the background, centered vertically and horizontally. The number has rounded ends and a thick, uniform stroke.

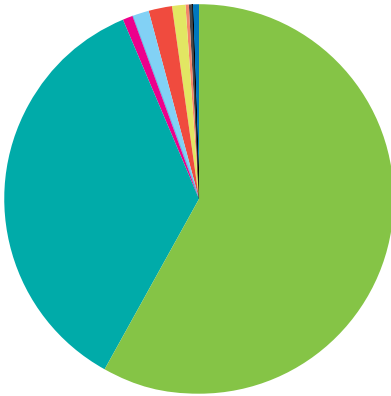
**environment**



# environment

Protecting a healthy environment for generations to come is imperative to us at Crocs. We are mindful of the impact we have on the environment and work to minimize our waste, emissions, and resource use.

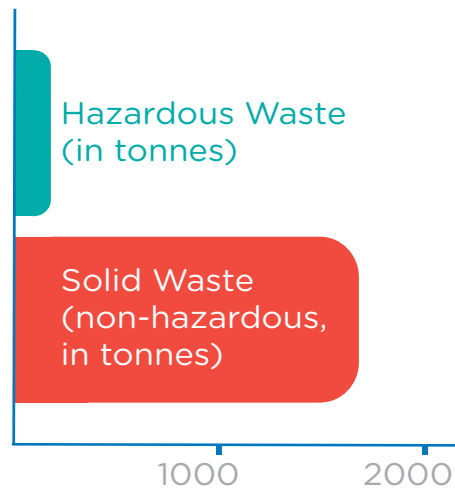
## Materials



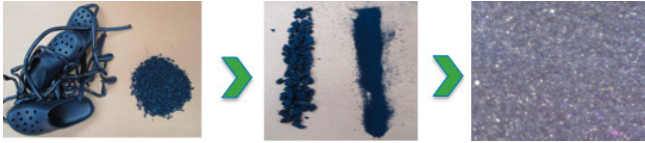
- EVA (19,970,280 KG)
- Rubber (12,106,033 KG)
- Leathers (343,203 KG)
- Mesh (1,860 KG)
- TPU-shells/rivets/components (468,012 KG)
- Adhesive (679,676 KG)
- Canvas (373,160 KG)
- Counters (34,991 KG)
- Lining (361,872 KG)
- Reinforcement (27,054 KG)
- Thread (44,646 KG)
- Metal Rivets (75,506 KG)
- Laces (6,686 KG)
- PVC (107,840 KG)

## Waste

By virtue of the design of Crocs™ shoes, we use less material in the production process. For the waste we do produce, we reclaim as much of it as possible. In the reporting period, we reused five percent of the material we used. What can't be reused, we place into formal hazardous or solid waste streams.



Besides using less material, one of Crocs' primary materials – Croslite™ – can be reused to reduce material consumption. Croslite™ is the material that gives Crocs™ shoes their comfort. In the process of reusing the scraps created during the manufacturing process, the scraps of Croslite™ material are pulverized and then formed into new sheets of material and pelletized for new shoes. The system works as follows:



Each new Crocs™ shoe is comprised of an average of five percent reused Croslite™ material. Our goal is to reach ten percent average reused Croslite™ material content in each shoe. Our product innovation team is hoping to get this number even higher.



## Packaging

In an attempt to reduce our packing waste, we also made some changes with how we package Crocs™ shoes. We found that little changes can have a big impact. Some of the adjustments we made include:

- Reducing plastic shoe inserts, saving 139,243 kilograms (kgs) of solid waste in 2012.
- Removing or reducing the paper that comes stuffed inside of new shoes, saving 35,805 kgs of solid waste in 2012.
- Reducing use of plastic bag overwraps, saving 89,205 kgs solid waste in 2012.

- Shrinking hangers, saving 25,559 kgs of solid waste in 2012.
- Reusing boxes at our distribution centers.

Collectively, these changes kept nearly 289,812 kg of waste from landfills, which is equivalent to the weight of more than 900,000 pairs of Crocs™ shoes.

## Solid Waste

We're committed to discarding the waste we send to landfills responsibly. Nonhazardous solid waste from our factories includes materials such as mesh, leather scrap, rubber, and Croslite™ scraps that cannot be put back into new products.

To change habits at the factories and reduce improper solid waste disposal, we work closely with our factory management and vendors. We review with them what can be reused, what solid waste is and what hazardous waste is. The training is part of initial contracting with factories and is ongoing.

## Hazardous Waste

Hazardous waste from our manufacturing process includes expired solvent-based adhesives and cleaners. Related to our efforts to reduce VOCs, we're reducing our use of solvent-based adhesives and cleaners. We're doing this by increasing our use of water-based adhesives, taking care not to use more adhesives than necessary and improving our production process so that fewer adhesives are required. We strive to send all of our hazardous waste through the proper disposal channels.

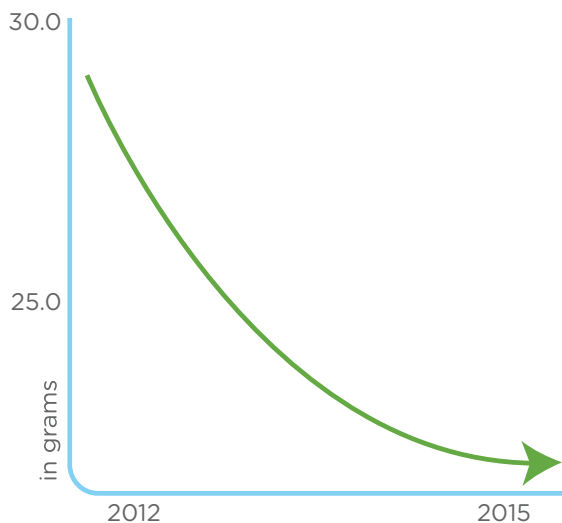
## Toxics

### Volatile Organic Compounds

Reducing the amount of VOCs that are used in our manufacturing process is another critical area of focus. VOCs often contain harmful gases that are emitted from solids and liquids. In our manufacturing process, these gases can be emitted from cleaners, cements, primers (which prepare bond surfaces of various materials) and adhesives (water-based and solvent-based).



Reducing VOCs is important for the environment as well as workers' respiratory health. Our factory in Italy reached zero net VOC emissions in 2012. Factories in Mexico and China are making strides toward reducing VOCs.



In 2012, we averaged 27.0 grams of VOCs per pair of Crocs™ shoes. We've set a goal to have ten percent annual VOC reductions beginning this year, which will put us at 24.3 grams of VOCs per pair of Crocs™ shoes at the end of 2013. We're exploring ways to meet this goal while still maintaining the quality of our product, primarily increasing our use of water-based adhesives that emit fewer harmful gases.

### Restricted Substances

Restricted substances (RS) are chemicals and other substances that the use and/or concentration of which have been restricted by governments. We test to regulations of RS in each country where we operate, and provide our suppliers and vendors with the information they need to be compliant.

### Product Innovation

During the research & development (R&D) process, we take into account the environmental impact of the shoe's manufacturing process. It makes good business sense, as it helps to make our operations more efficient and less wasteful. Our Mary Jane shoe design is an example of our innovative technology at work. Using dual-injection technology, we pump both colors into the mold at the same time and the adhesion process happens during cooling and

eliminates the need for glue or other adhesives, thus eliminating associated VOCs. In 2013, we will use processes such as this to improve our manufacturing process from an environmental and health standpoint.

### Environmental Management

Ensuring that environmental standards are upheld happens through the same rigorous auditing process as our social compliance standards. The environmental performance of our suppliers and factories is also governed by our Supplier Code of Conduct. Our Supplier Code of Conduct states that:

***Crocs' Business Partners will protect human health and the environment by meeting applicable regulatory requirements, including air emissions, solid/hazardous waste, and water discharge. Crocs' Business Partners will adopt reasonable measures to mitigate negative operational impacts on the environment and strive to continuously improve environmental performance.***

Read more about the Supplier Code of Conduct and our Audit Process beginning on page 13.

In our owned factories, we apply third party guidance and certifications to ensure a certain standard of environmental performance. Our factory in Mexico has received ISO 9001, ISO 14001 and OHSAS 18001 certifications for product quality and environmental and labor safety. The Chinese contract manufacturers have ISO 9001 certification. These independent frameworks indicate that we meet a certain standard of monitoring our environmental and social impacts and are continuously improving sustainability management.

### Energy

Reducing energy use is important as it impacts both our bottom line and greenhouse gas emissions. **In 2012, our factories used 1.6 kWh of energy per pair of Crocs™ shoes.** We're working in ways to manage this energy use. Our factories in Asia turn off most machines when daily shifts end. In Mexico, the factory turns off the air conditioning units after 7:00 P.M. each day. The factory is also built to allow maximum natural light and minimize electricity use.





## Headquarters

In our U.S. headquarters, during the reporting period we used 730,400 kWh of electricity and 36,970 therms of natural gas, which is equivalent to the energy use of approximately 60 homes for a year. We have several efficiency measures in place such as having heating and cooling settings that adjust for times when the building is unoccupied. After 6:00 P.M. on weekdays and on weekends, all air conditioning units increase the thermostat temperature by ten degrees and all heating units decrease the thermostat temperature by ten degrees. These temperature differentials are enough to reduce energy demands while maintaining the building environment.

We also installed motion sensors in all renovated offices and restrooms at our headquarters so that lights shut off when no one is present. We ask employees to alert us if they notice lights staying on in unused areas, and any areas identified will be our first targets for additional motion sensors or lighting retrofits. The cleaning crew has been instructed to turn off lights each night. Finally, copiers go into standby mode during unused periods, and employees are reminded to power down their computers and monitors whenever possible.

## Water

During the reporting period (October 1, 2011 to September 30, 2012), we used 1,606,000 gallons of water at our headquarters, and about **125,099,000 gallons of water at our factories. This is a little less than three gallons of water per pair of shoes.** Water is a regional issue and we approach it accordingly. Our factory in China, for example, includes dormitories for the workers who choose to live in them. The workers' water use, for showers and cooking in the kitchen, is included in the same water meter reading as water used for manufacturing. We've found personal water use accounts for a large portion of the water used in our Chinese factories. Water used in manufacturing, where we will focus water reduction efforts in China, is comparatively less. In Mexico, most of the water used is in the dining hall, injection, and pelletizing process for Croslite™ material.



## Transportation

We do not have our own fleet vehicles. However, we have a well-managed supply chain that minimizes unnecessary transportation costs and related environmental impacts. For instance, the Croslite™ material in our shoes is almost always manufactured in the same region as the factories where final products are produced. Our supply chain management also allows us to minimize the need for using air freight to ship finished goods, which also avoids extra transportation emissions.

## Biggest Challenges

- We've started to incorporate more water-based adhesives into our assembly process in order to reduce VOC emissions. We will continue to look for water-based adhesives that do not compromise the quality of our final product.
- In the two factory facilities that we own, we have implemented energy efficiency programs and will continue to deploy these programs. It has proven more challenging to reduce energy used at the factories that we do not own. We intend to reduce the energy used in our Chinese contract manufacturers through training factory management on energy conservation best practices.
- In the product process, one challenge is finding the best options to reduce solvent-based adhesive consumption without sacrificing quality.

## Biggest Accomplishments

- The majority of our shoes contain reused scrap material, and on average each Crocs™ shoe contains five percent reused Croslite™ material.
- Making changes to our packaging saved nearly 640,000 pounds of waste from going to landfills. This is equal to the weight of more than 900,000 pairs of shoes.

## Looking Ahead

- One of the biggest opportunities to reduce our environmental impact is to design shoes that use fewer materials. We incorporate sustainability principles into our innovation process. We believe it's important to plan ahead to reduce environmental impacts of our products before the end of their lifecycles.
- Our goal is to have ten percent of each shoe contain reused Croslite™ scraps. We are also bringing the Croslite™ material pelletizing process in house at each factory, which is more efficient and saves on transportation emissions.
- We seek to map the down-cycling of our materials. The local economies around our factories tend to take factory scrap and turn them into useful new products. For example, Croslite™ material can become part of car bumpers. As we better map our waste streams, we will continue to ensure that our materials are disposed of properly.
- We will continue work to decrease VOC emissions in our manufacturing process. Our goal is to reduce our VOC emissions to 24.3 grams per pair in 2013, a ten percent reduction over our 2012 baseline of 27.0.
- We will conduct and publish our first greenhouse gas emissions inventory on emissions from our corporate headquarters and manufacturing in our factories. We will use this as a baseline from which to manage, measure, and reduce our emissions.









*Stronger communities make a stronger world. Through programs such as Crocs Cares<sup>SM</sup>, we're committed to helping improve the lives of those in our communities who have less.*



**community**





# community

Stronger communities make a stronger world. Through programs such as Crocs Cares<sup>SM</sup>, we're committed to helping improve the lives of those in our communities who have less. Our mission is simple—to support happy and healthy feet to children and families around the world because everyone deserves to be comfortable.

## Crocs Cares<sup>SM</sup>

Crocs<sup>TM</sup> shoes are not just comfortable. It turns out they are “the perfect shoe” to help people in developing nations or those suffering from natural disasters. Crocs<sup>TM</sup> shoes are light, won't absorb water, and provide basic protection that may save lives by helping to protect feet from parasites. They are made from our proprietary Croslite<sup>TM</sup> material, a closed-cell resin that is both comfortable and helps protect the feet. UNICEF and Feed the Children, two of our partners, have told us that Crocs<sup>TM</sup> shoes are perfect for the environments in which they work.

Through our philanthropic program, Crocs Cares<sup>SM</sup>, we have donated millions of pairs of shoes to developing countries, areas that have been hit by natural disasters, and families in the United States who simply need a little help.

*In the past five years, we've donated **three million pairs** of shoes to those in need. That's a little more than **one pair of shoes per minute!***



**OVER**



**=**



## Partnerships

Several organizations work with us in partnership to distribute shoes around the world.

Our largest global partnerships include:

- Feed the Children
- UNICEF
- Brothers Brother Foundation
- American Airlines
- In Kind Direct (EU)

### Feed The Children



Through our work with Feed The Children, we have donated more than 1.6 million pairs of Crocs™ shoes since 2007. More than 700,000 of these pairs have been sent to the Darfur region of Sudan to help the refugee population impacted by the ongoing conflict.

With the money generated from our holiday donation program with Feed The Children, we have donated five trucks worth of supplies, food, and essentials as part of the Americans Feeding Americans program. These trucks provided:

- **600 pairs** of shoes and two trucks of food donated to low-income families in the Boulder Valley and surrounding areas.
- **300 pairs** of shoes and a truck of supplies donated to families in Syracuse, New York.
- **400 pairs** of shoes and a truck of food donated to families in Orlando, Florida.
- **300 pairs** of shoes and a truck of supplies in New Orleans.
- **400 pairs** of shoes and a truck of food and supplies to victims of the tornadoes in Kentucky.



### UNICEF

Through our work with UNICEF, we've donated to children in Haiti, Panama, El Salvador, and Namibia. In the United States, Crocs sponsored a UNICEF Trick-or-Treat program in which Crocs retail stores distributed the Trick-or-Treat signature collection boxes for donations during the Halloween season. The drive resulted in the distribution of more than 31,000 collection boxes.

### Brother's Brother Foundation

Working with Brother's Brother Foundation (BBF), we've donated hundreds of thousands of pairs since 2007. The mission of BBF is to promote international health and education through the efficient and effective distribution and provision of donated medical, educational, agricultural, and other resources. Since 2007, Crocs has donated hundreds of thousands of shoes to many countries throughout Latin America and the Caribbean with BBF.

### American Airlines

American has been instrumental the past five years in helping Crocs Cares<sup>SM</sup> fly shoes where they are needed. American has helped fly hundreds of thousands of shoes to countries like Haiti, El Salvador, and Iraq. Through American Airlines' Huey O91 Foundation we have also supported the wounded and disabled service members as well as active duty military with other partner organizations.



## Dreams Take Flight

As part of our continued partnership with Dreams Take Flight in Canada, Crocs Cares<sup>SM</sup> has provided more than 1,000 pairs of shoes to children who participate in the Dreams Take Flight program.

## In Kind Direct

In Europe this year we re-launched the Crocs Cares<sup>SM</sup> program with partner organization In Kind Direct. For every “like” on Facebook we donated a pair of shoes to someone in need, up to 20,120 pairs.



## USO

To support our men and women in the military, Crocs Cares<sup>SM</sup> donated 2,945 pairs of shoes to the USO for distribution to active duty Military in Afghanistan. We continue to donate to other military organizations for the active duty soldiers and the local kids living in those areas.

## Volunteers of America

One thousand pairs of shoes were donated to Volunteers of America through the 9 Cares Colorado Shares program for the Holidays.

Areas that have benefitted from hundreds of thousands of donation shoes:

- Afghanistan
- Brazil
- Colombia
- Costa Rica
- Dominican Republic
- El Salvador
- Fiji
- Guatemala
- Haiti
- Honduras
- Kenya
- Mozambique
- Tanzania

## J/P Haitian Relief Organization

Through J/P Haitian Relief Organization, we donated 500 pairs of Crocs<sup>TM</sup> shoes as part of the school uniform program for children in school at the J/P Camp in January of 2012.

## 100 Women, 100 Shoes Challenge

In March, we partnered with **O, The Oprah Magazine** to run a contest where readers would write in with an essay of what they would do with 100 shoes to improve their community. Crocs and **O** selected 100 women to receive 100 shoes each for programs of their choice, including The Pink Effect, Avon Walk for Breast Cancer and Teach for America.

## YMCA and Early Learning Center of Longmont

The Early Learning Center of Longmont and The YMCA of Longmont have partnered with the Crocs Product Creation team in to create a fit and wear test program to benefit families and children in the community. Crocs' developers tested shoes on children's feet through the product creation cycle to ensure a good fit. In return, Crocs donated shoes to the agencies for families and children who are in need.



## Natural Disasters

When natural disaster strikes, Crocs is there to donate shoes to those in need.

- **Missouri:** Crocs donated 5,000 pairs of shoes to families affected by storms in Joplin, MO.
- **Alabama:** Crocs donated 2,000 pairs of shoes to tornado victims in Alabama.
- **Japan Tsunami:** Crocs donated 50,000 pairs of shoes and generated more than \$42,000 online and at retail to donate to the Japanese Red Cross.
- **Haiti:** Since the earthquake in Haiti, Crocs has donated more than 50,000 shoes.

## Retail Stores

As part of the Crocs Cares<sup>SM</sup> program, last year consumers had the opportunity to add any predetermined amount at checkout to raise money for Feed The Children's "Americans Feeding Americans" program. Crocs consumers raised funds to provide food, shoes, and other supplies for families throughout the U.S.

Additionally, in our retail stores, we have branded collection bins for consumers to donate their lightly worn shoes. These shoes are donated to [Soles4Souls](#), a charity that gives shoes to adults and children in need.

Through our Crocs Cares<sup>SM</sup> shoe collection program, we continue to collect an average of 2,500 pairs of shoes per month, which are then donated to Soles4Souls who then cleans and re-distributes the shoes to those in need both in the United States and abroad.

Visit <http://croscares.com/donate-your-crocs/> to find out where you can drop off your gently used Crocs<sup>TM</sup> shoes.

## Monetary Donations

In addition to shoes and our time, we also donated more than \$1.1 million to the following organizations.

- **Airpower Foundation:** Military support organization
- **Aurora Victims Relief Fund - Community First Foundation**

- **Colorado Children's Hospital in Denver**
- **Forzani Charities Canada**
- **Global Education Fund**
- **Komen Race for the Cure**
- **Trick-or-Treat for UNICEF campaign**
- **UNICEF Haiti Education Fund Grant**

## Employees

Crocs employees are also dedicated to giving back in local communities.

Similar to the [100 Women, 100 Shoes Challenge](#) with *O, The Oprah Magazine*, employees had the opportunity to submit what they would do with a 100 shoes in their community. Winners donated to causes such as Avon Walk for Breast Cancer, The Pink Effect, and Teach for America.

Other projects include:

- Crocs adopted a park in downtown Boulder in 2011 and we hold monthly employee park cleanups to keep our park clean.
- Since October of 2011, we have held three blood drives at our corporate headquarters to benefit the Colorado Children's Hospital in Denver. The drives provided enough blood to save nearly 100 lives.
- Multiple employees participated in and raised a total of \$1,831.24 for the Denver Dumb Friend's League 2012 Furry Scurry event.
- In response to Hurricane Isaac in New Orleans, retail employees in the area participated in and handed out a truckload of supplies and shoes.
- Retail employees participated in Shaquille O'Neal's Shaq-a-Claus Apalooza, to provide 500 pairs of Crocs<sup>TM</sup> shoes to the kids of the Orlando Boys and Girls Club. Crocs also donated one truckload of food and supplies with Feed The Children.





## International Programs



Our factories are also involved in sponsoring programs in their communities. Programs include activities like blood drives and visits to senior citizens from our facility in China; visits to homeless shelters from our factory in Bosnia; and the sponsorship of a local football team in Italy.

## Crocs South Africa

Ocean Minded™, a Crocs brand, organized a beach clean-up after the annual music festival, Rocking the Daisies. One hundred people took to the beaches of the West Coast of South Africa where 55 bags of trash was collected.

With partner organization, Team LongoSholos, shoes were donated to children in Zimbabwe. When a team of four passionate South Africans set out on the epic Put Foot Rally in June 2012, the purpose was to spread some care in the communities they were traveling through. The social rally takes teams to six checkpoints through eight countries over 20 days, covering nearly 8000 km around Southern Africa. The highlight of their trip was the stop in Zimbabwe where they provided Crocs™ shoes to help hundreds of kids.

## Crocs Europe

This team participated in a social media program during the Olympics through which for every “like” on Facebook, Crocs Cares™ would donate a pair of shoes up to 20,120 pairs of shoes to those in need. These shoes will be distributed through new partner, In Kind Direct, to help children and families.

## Crocs China

The China Operations department visits the Qingxin Orphanage, home to abandoned children with special needs. Employees make monthly visits to bring fun and joy to the children through activities and games.

## Crocs Singapore

As part of the Yellow Ribbon Project, used shoes are collected at Crocs stores. They are then consolidated and sent to a local prison so that inmates can volunteer to clean the shoes to be re-donated. To date more than 3,000 pairs of Crocs™ shoes have been repurposed by inmates.



## Biggest Challenges

A challenge that Crocs, and many donors, face is measuring the social impact of our donations around the world. Working with reputable partner organizations gives us assurance that our donations are reaching communities in need.

## Biggest Accomplishments

Through Crocs Cares<sup>SM</sup>, we have donated more than three million pairs of shoes in the past five years and have created sustainable partnerships with global organizations.

## Looking Ahead

- Moving forward, we will continue to foster success of Crocs Cares<sup>SM</sup> and expand its reach.
- We also will expand our employee volunteerism program. We provide numerous opportunities for our employees to give back and we will support them in their efforts.



*We maintain memberships and partnerships with several organizations that provide us with valuable third party perspectives.*



**recognition &  
partnerships**





# recognition and partnerships

We maintain memberships and partnerships with several organizations that provide us with valuable third party perspectives.

## Recognition and Partnerships

### Global Apparel, Footwear and Textile Initiative (GAFTI)

GAFTI brings together industry practitioners from retailers, mills and factories who all share the goal of creating a common auditing standard. Having common standards will reduce “auditing fatigue” at the facilities that are ideally constantly monitored by many different groups and raise working conditions across the board. Members of GAFTI share auditing results and best practices with each other.

### Fair Labor Association (FLA)

The FLA is an organization of nonprofits, companies, colleges and universities that works to improve conditions for workers in global supply chains. Companies like Crocs that are members of FLA must comply with FLA’s independent Code of Conduct and allow FLA to

conduct independent audits. We value having this external perspective and guidance for our factories.

### Global Reporting Initiative (GRI)

The GRI is the global standard for sustainability reporting. We are members of GRI’s Organizational Stakeholder Program, which is a network of more than 600 groups from more than 60 countries. As part of our membership, we help fund GRI, contribute our knowledge and learn from others’ expertise and promote GRI to our peers.

### The University of Denver, EMBA Program

We are working with the University of Denver to examine our operations and communications, and finding ways to improve our sustainability performance.



## Awards and Honors

Crocs is committed to producing innovative products and is a place that our employees enjoy working. It is always rewarding when outside organizations recognize these efforts. In 2012, we were honored with awards including:

- Boulder County Business Report IQ Awards – The Awards recognize companies with innovative new products or services with a special emphasis on advanced technologies, innovations within a particular business sector and sustainable business practices. Our Crocs Chameleon shoes took first place in the “Natural/Green/Outdoor” category.
- ColoradoBiz Magazine Top Company of the Year – ColoradoBiz Magazine ranks the Top Company of the Year in several categories. We were recognized as the Top Company of the Year in the consumer business category for our financial performance, brand evolution and philanthropic efforts.
- Denver Business Journal Power Book – Crocs was listed in the Denver Business Journal Power Book for business accomplishments in 2012.





**global reporting  
initiative (gri)**



# global reporting initiative table

We align our report with the GRI G3 guidelines and self-declare at a Level C.

## G3 Content Index - GRI Application Level C

### STANDARD DISCLOSURES PART I: Profile Disclosures

#### 1. Strategy and Analysis

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
1.1	Statement from the most senior decision maker of the organization	Fully	Reference Page 4

#### 2. Organizational Profile

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
2.1	Name of the organization	Fully	Crocs, Inc.
2.2	Primary brands, products, and/or services	Fully	Crocs, YBC, Jibbitz, Ocean Minded
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	Fully	Form 10-K
2.4	Location of organization's headquarters	Fully	Niwot, CO





2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	Fully	Form 10-K
2.6	Nature of ownership and legal form	Fully	Form 10-K
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	Fully	Form 10-K
2.8	Scale of the reporting organization	Fully	Form 10-K
2.9	Significant changes during the reporting period regarding size, structure, or ownership	Fully	No changes
2.10	Awards received in the reporting period	Fully	Reference Page 38
<b>3. Report Parameters</b>			
Profile Disclosure	Description	Reported	Cross-reference/Direct answer
3.1	Reporting period (e.g., fiscal/calendar year) for information provided	Fully	Oct'11-Sep'12
3.2	Date of most recent previous report (if any)	Fully	N/A
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Annual
3.4	Contact point for questions regarding the report or its contents	Fully	Katy Lachky or Rob Callaway: <a href="mailto:responsibility@crocs.com">responsibility@crocs.com</a>
3.5	Process for defining report content	Fully	About this report: Page 10
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance	Fully	Owned factories and contract manufacturers comprising 5+% of total footwear volume (3 in China, 1 Mexico, 1 Italy, 1 Bosnia) and US HQ where noted. See Page 12 of report for additional details.



3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope)	Fully	Report does not include data for suppliers that produce less than five percent of total footwear volume as well as energy consumption in our headquarters. It does not include retail stores (500) and administrative buildings outside of the US (European HQ, Singapore Administrative building, Japan administrative building). We will look to incorporate these in future reports as we expand our reporting.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	Fully	Reporting covers entities noted in 3.7
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods)	Fully	N/A - First Report
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	Fully	N/A - First Report
3.12	Table identifying the location of the Standard Disclosures in the report	Fully	Reference GRI Table, Page 41

#### 4. Governance, Commitments, and Engagement

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	Fully	Crocs Corporate Governance
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	Fully	Crocs Corporate Governance

4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	Fully	Crocs Corporate Governance
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Fully	Contact information clearly located on Investor Relations Website
4.14	List of stakeholder groups engaged by the organization	Fully	Reference Our Approach to Sustainability, Page 10 and Recognition and Partnerships, Page 38
4.15	Basis for identification and selection of stakeholders with whom to engage	Fully	Reference Our Approach to Sustainability, Page 10

**STANDARD DISCLOSURES PART III: Performance Indicators**

**Economic**

Performance Indicator	Description	Reported	Cross-reference/Direct answer
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**Economic performance**

EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	Fully	<ul style="list-style-type: none"> <li>• \$1,103M revenue</li> <li>• SG&amp;A costs are 444.4M, (equivalent to operating costs, employee wages, and benefits).</li> <li>• Payments to providers of capital: n/a</li> <li>• Payments to governments (defined as income taxes paid): 22.1M</li> <li>• Charitable contributions (defined as community investments): 1.6M</li> <li>• Economic value retained: 1103M minus 444.4M minus 22.1 minus 1.6M = 634.9M</li> </ul>
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Environmental			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
<b>Materials</b>			
EN1	Materials used by weight or volume	Fully	Direct materials Used EVA: 19,970,280 KG Rubber: 12,106,033 KG Leathers: 343,203 KG Mesh: 1,860 KG TPU -shells / rivets / components: 468,012 KG Adhesives: 679,676 KG Canvas: 373,160 KG Counters: 34,991 KG Lining: 361,872 KG Reinforcements: 27,054 KG Thread: 44,646 KG Metal Rivets: 75,506 KG Laces: 6,686 KG PVC: 107,840 KG
<b>Energy</b>			
EN3	Direct energy consumption by primary energy source	Fully	Diesel (L): 52,068 Petrol (L): 68,128
EN4	Indirect energy consumption by primary source	Fully	Electricity (Kilojoules): 100960894400
<b>Water</b>			
EN8	Total water withdrawal by source	Fully	Water Withdrawal Surface water (m3): 0 Ground water: 16,469 Water utilities (m3): 457,086 Rainwater: 0 All water sources: 473,555
<b>Emissions, effluents and waste</b>			
EN22	Total weight of waste by type and disposal method	Fully	Solid Waste (non-hazardous): 1,435,879 KG (1582.8 Tonnes) Hazardous Waste: 101,191 KG (111.5 Tonnes) Take back' programs Reused Scrap: 330,453 KG (364.3 Tonnes) Scrap that is 'downcycled' into other products: 46,176 KG (50.9 Tonnes)



<b>Social: Labor Practices and Decent Work</b>			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
<b>Employment</b>			
LA1	Total workforce by employment type, employment contract, and region	Partially	Reference Workplace and Suppliers, Our Factories, Page 11
<b>Occupational health and safety</b>			
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region	Partially	Reference Workplace & Suppliers, Page 19
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	Fully	Our China factories have engaged in serious disease training during the reporting period. During the reporting period, our Mexico factory held an environmental health and safety fair for education regarding serious disease training as well as discounted health services. Also Reference Pg Training and Employee Healthcare, Pg 19.
<b>Social: Human Rights</b>			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
<b>Child labor</b>			
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	Fully	Reference Workplace and Suppliers, Page 14 and 19
<b>Forced and compulsory labor</b>			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	Fully	Reference Workplace and Suppliers, Page 14 and 17



<b>Social: Society</b>			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
<b>Corruption</b>			
SO4	Actions taken in response to incidents of corruption.	Fully	Anti corruption training has been provided to all Crocs employees. In the reporting period, we had zero reported cases of corruption.
<b>Compliance</b>			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	No significant fines have been reported in the reported period.

<b>AF Content Index</b>			
Profile Disclosure	Description	Reported	Cross-reference/Direct answer
AF1	Code of Conduct and coverage	Fully	Reference Workplace & Suppliers, Page 13
AF8	Number of audits conducted and percent of workplaces audited.	Fully	48 audits completed in Asia, 43 follow-up visits
AF12	Incidents of the use of child labor	Fully	There were no reported cases of child labor in the reporting period. Reference Workplace & Suppliers, Page 19
AF18	Programs to replace organic-based adhesives and primers with water-based adhesives and primers.	Fully	Reference Environment, Page 23  Total pairs produced (42,125,696 )/ VOC usage (1,137,131,792 grams) = 27.0 g/pair
AF23	Policy regarding the use of 'home working'	Fully	Home working is not permitted in Crocs factories. All contract manufacturers and owned suppliers have policies outlining these regulations.
AF25	Policy and practices on wage deductions that are not mandated by law.	Fully	Crocs contract manufacturers and owned factories maintain wages that are at or above the minimum wage. Reference Workplace & Suppliers, Page 13