

SKECHERS

OUR FOOTPRINT MATTERS



SKECHERS IMPACT REPORT 2024

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MESSAGE FROM THE CEO



Robert Greenberg

When we founded Skechers over three decades ago, our vision was to create a lifestyle brand focused on comfort, style, innovation, and quality at a reasonable price. As a Fortune 500® company and the third-largest footwear brand with thriving Performance and Lifestyle divisions, we're proud to say that these core principles continue to drive our success—resulting in a diverse product offering, innovative marketing efforts, strong partnerships and dedicated global team.

In 2024, Skechers achieved another year of exceptional performance: four record sales quarters, resulting in annual sales of \$9 billion. With approximately 5,300 stores around the globe and 62% of our total sales coming from our international business, we are truly a brand for the world—one that is dedicated to thoughtfully growing our footprint.

Our philosophy encompasses the breadth of our brand—from our product design, packaging and stores to our corporate infrastructure, logistics and supply chain. We continue to launch initiatives, increasing our use of recycled materials in our product lines and implementing more energy-efficient processes across our manufacturing and distribution operations. These ongoing efforts reflect our intent to ensure a sustainable legacy for future generations.

We remain committed to the individuals and communities affected by our operations and continuously explore new ways to enhance our business practices and processes to improve our products, support our employees, and positively contribute to our shared ecosystem. We appreciate the opportunity to present our latest efforts and achievements in these areas through the 2024 Skechers Impact Report.

A handwritten signature in black ink, consisting of a stylized, cursive script that is difficult to read but appears to be the name Robert Greenberg.

Robert Greenberg
Skechers CEO & Chairman of the Board



OUR PURPOSE MATTERS

Skechers is a Fortune 500® company, the third-largest footwear company in the world, and an award-winning, publicly traded brand on the New York Stock Exchange (NYSE:SKX). Our success is in large part due to our commitment to our design principles established more than thirty years ago: comfort, style, innovation and quality at a reasonable price. Today, we are The Comfort Technology Company with innovation and success across our athletic lifestyle, fashion, performance, occupational work, and kids' footwear lines. Our objective is to profitably grow our operations worldwide by delivering footwear consumers want and need, and to do so in an increasingly environmentally conscious manner.

The footwear and apparel industry contributes to global carbon output, which we believe has far-reaching impacts on our planet's resources. As our awareness of risks and challenges to the environment posed by our work becomes known, we are moving toward a more socially responsible and accountable foundation for business.

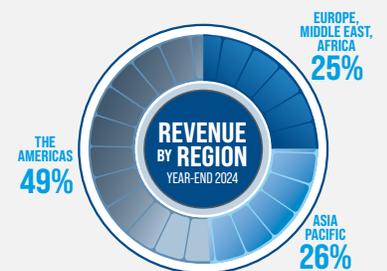
As an \$8.97 billion brand (year-end 2024) that has a presence in approximately 180 countries and outfits millions of consumers of every age, we know that our potential impact and reach is great. We believe that being socially and environmentally responsible is essential to the Company, our consumers, and our planet. Increasingly, Environmental, Social, and Governance (ESG) efforts are considered as we approach the design and packaging of our collections; build our stores, logistic centers and offices; recruit and retain employees; interact with our communities; and much more.

Being a global leader in footwear, we believe it is our obligation to do what we can to make a difference, support and uplift communities, and lessen our carbon footprint. We recognize that we have much to do, but we are focused on driving change internally to create a more sustainable future.

In our 2023 report, we published the results of our first double materiality assessment. This assessment consisted of stakeholder engagement with over 30 internal and external stakeholders including our employees, investors, customers, suppliers, nonprofits, and industry groups. In 2024, we have focused our efforts on preparations for incoming regulation including CSRD and California's Climate Accountability Package. As part of this preparation, we have continued

\$8.97

BILLION BRAND
YEAR-END 2024 SALES



PRESENT IN APPROX.

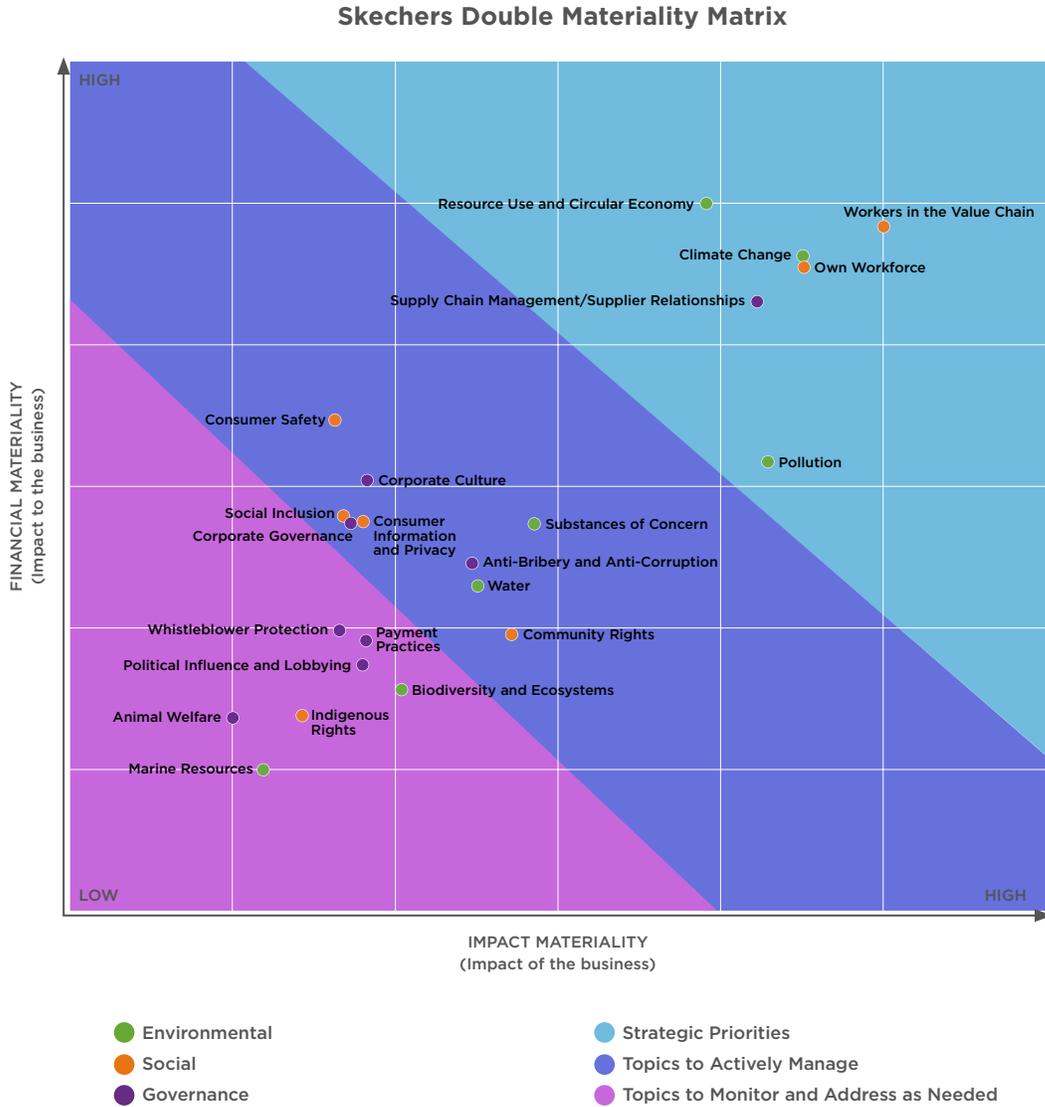
180

COUNTRIES

297M

UNITS SOLD
IN 2024

to develop our double materiality assessment by assessing our material impacts, risks and opportunities for each of the topics shown on the double materiality matrix below. Further insights from this impact, risk and opportunity assessment will be shared in future reports.



In 2024, we have continued to focus on the most material sustainability issues for our business from both an impact and financial perspective: Climate Change, Workers in our Value Chain, our Own Workforce, Resource Use and Circular Economy, Supply Chain Management and Supplier Relationships, and Pollution. Though we continue to manage all topics on the matrix from a risk and financial impact perspective, this matrix is intended to convey the relative importance of these issues according to our stakeholders and a third-party assessment. In 2024, we began to incorporate the results of this materiality assessment into our sustainability strategy.



OUR GOVERNANCE MATTERS

The Skechers Board of Directors is responsible for the oversight and governance of our company and regularly reviews all aspects of the business, including related risks and strategies to address them. The bylaws governing how the Board operates can be found in the Corporate Governance Guidelines. As of May 2025, there are eight members on the Board of Directors with what we consider to be a diverse set of skills and backgrounds, five of whom are deemed to be independent.

SKILLS, QUALIFICATIONS AND EXPERIENCE OF DIRECTORS

Director	Leadership	Industry	Finance/Risk Management	Corporate Governance	Digital/Technology	Marketing	Diversity	Independent Director
Robert Greenberg	●	●				●		
Michael Greenberg	●	●			●	●		
David Weinberg	●	●	●		●			
Katherine Blair	●		●	●			●	●
Morton Erlich	●		●	●				●
Richard Siskind	●	●				●		●
Yolanda Macias	●		●		●	●	●	●
Zulema Garcia	●		●	●			●	●

Our Board is comprised of three committees that assist in the oversight of our company's progress, executing strategies and achieving objectives in specific areas of the business. These committees include the Audit Committee, Compensation Committee, and Nominating and Governance Committee.

BOARD COMMITTEES

Name	Audit Committee	Compensation Committee	Nominating & Governance Committee
Katherine Blair		●	●
Morton Erlich	●	●	
Zulema Garcia	●		●
Yolanda Macias			●
Richard Siskind	●	●	
Total Meetings in 2024	8	8	2

- Committee Chairperson
- Committee Member

The Audit Committee is primarily responsible for ensuring the quality and integrity of the Company's financial disclosures, including appointing an independent external auditor to review our financial statements. The Audit Committee is also responsible for ensuring that our company is in compliance with all legal and regulatory reporting as well as reviewing and approving any related party transactions and potential conflicts of interest.

The Compensation Committee's responsibilities include overseeing the compensation philosophy and plans of our company—particularly those impacting Skechers' named executive officers—and producing an annual evaluation of our company's executive compensation practices and potential risks related thereto for inclusion in our company's annual proxy statement. The committee is also responsible for the selection and retention of an independent, external compensation consultant—FW Cook as of year-end 2024—who provides advice and analyses in support of the committees' responsibilities.

The Nominating and Governance Committee is responsible for identifying individuals qualified to become Board members, recommending to the Board of Directors its annual slate of recommended director nominees, and upholding the various governance policies of the Company, including but not limited to the Corporate Governance Guidelines, Corporate Code of Conduct, and Supplier Code of Conduct.

The Nominating and Governance Committee does not have a formal policy with regard to the consideration of diversity in identifying director nominees. The committee believes that the backgrounds and qualifications of our directors, considered as a group, should provide a diverse mix of backgrounds, experience, knowledge and skills that will best allow our Board to fulfill its responsibilities including oversight of our business. A majority of our Board consists of directors who are independent under the rules of the New York Stock Exchange. For more information on our Board's approach to candidate selection, please see our [Nominating and Governance Committee Charter](#).

The Skechers Board of Directors believes that environmental, social, and governance ("ESG") related matters, including the identification and evaluation of relevant risks and opportunities and any relevant sustainability initiatives and programs, are an important topic for Skechers' shareholders, employees, customers, and vendors. Our Board is actively involved with and updated on the status of our company's various ESG initiatives. Primary responsibility for the oversight of ESG-related matters resides with our Nominating and Governance Committee. However, our Board recognizes that each committee plays an important role in considering and addressing ESG-related matters within the relevant responsibilities of each committee.

The Nominating and Governance Committee of our Board regularly reviews corporate sustainability risks and the suitability of the Skechers Supplier Code of Conduct to mitigate those risks. The committee also periodically reviews regulatory and corporate compliance risks and recommends any proposed changes in accordance with the Corporate Governance Guidelines. Our Corporate Governance Guidelines were adopted by our Board of Directors to assist the Board in the exercise of its responsibilities. Our Corporate Governance Guidelines reflect our Board's commitment to monitor the effectiveness of policy- and decision-making, both at the Board and management levels, with a view towards enhancing long-term stockholder value.

We have also established an internal, cross-functional ESG Committee to oversee and advise our Board on ESG-related matters; the committee meets quarterly or more frequently if needed. Our ESG Committee is led by the Chief Financial Officer of our company and comprises team members from key functions including Communications, Finance, Human Resources, Investor Relations, Legal, Marketing and Product Development. The ESG Committee's primary responsibility is to direct and to oversee the implementation of our ESG strategic roadmap. In addition, the committee regularly updates and advises our Board through the Nominating and Governance Committee, with respect to our company's progress against the ESG strategic roadmap as well as on any significant ESG issues. Links to our publicly available policies can be found [here](#) and online at the Skechers Corporate Site under Investor Relations:

- California Transparency in Supply Chains Act Disclosure
- Clawback Policy
- Code of Business Conduct and Ethics
- Conflict Minerals Disclosure
- Corporate Code of Conduct
- Corporate Governance Guidelines
- Foreign Corrupt Practices Act (FCPA) Policy
- Supplier Code of Conduct (updated in August 2024)
- UK Modern Slavery Statement
- Whistleblower Policy

CYBERSECURITY

RISK MANAGEMENT AND STRATEGY

We recognize the critical importance of maintaining the safety and security of our systems and data and have a holistic process for overseeing and managing cybersecurity and related risks. This process is supported by both management and our Board of Directors.

We have developed and implemented a Cybersecurity Risk Management Program intended to protect the confidentiality, integrity, and availability of our critical systems and information. Our cybersecurity risk management program includes a cybersecurity incident response plan.

We leverage industry standard frameworks such as the National Institute of Standards and Technology Cybersecurity Framework (“NIST CSF”) and Center for Internet Security (“CIS”) to inform how we identify, assess, and manage cybersecurity risks relevant to our business.

Our Cybersecurity Risk Management Program includes:

- risk assessments designed to help identify material cybersecurity risks to our critical systems, information, products, services, and our broader enterprise IT environment;
- a security team principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls, and (3) our response to cybersecurity incidents;
- cybersecurity awareness training of our employees, and incident response personnel;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents;
- a third-party risk management process for service providers, suppliers, and vendors; and
- engaging third parties for our 24/7 monitoring, detection, and response; regular penetration testing; program controls assessment; and proactive incident preparedness activities.

GOVERNANCE

Our Board of Directors is responsible for overseeing our enterprise risk management activities in general, and each of our Board committees assists the Board in the role of risk oversight. Our Senior Vice President (“SVP”) of Information Technology and Vice President (“VP”) of Information Security have overall responsibility for assessing and managing our material risks from cybersecurity threats. To help ensure effective oversight, the Audit Committee receives reports on information security and cybersecurity at least annually and receives an update quarterly on information security and cybersecurity from materials provided by the VP of Information Security.

The VP of Information Security oversees the Information Security Steering Committee (“Steering Committee”), which provides education on the Company’s cybersecurity programs and controls to key members of Skechers. The Steering Committee meets quarterly and is comprised of members from the Executive Leadership Team, including the Chief Financial Officer and Executive Vice President of Business Affairs, as well as the SVP of Information Technology, VP of Information Security, VP of Corporate Communications, SVP of Digital Innovation, and the SVP and Global Head of Human Resources.

Cybersecurity risk management is led by our SVP of Information Technology, who reports to our Chief Operating Officer, and generally is responsible for management of cybersecurity risk and the protection and defense of our networks and systems. The SVP of Information Technology manages a team of cybersecurity professionals with broad experience in cybersecurity threat assessments and detection, mitigation technologies, cybersecurity training, incident response, cyber forensics, insider threats and regulatory compliance.

We continue to invest in cybersecurity and the resiliency of our networks and adapt our internal controls and processes, which are designed to help protect our systems, infrastructure and the information they contain.



OUR PLANET MATTERS

At Skechers, our objective is to design, develop and market stylish, comfortable, innovative and high-quality products at a reasonable price while simultaneously working to limit our negative impact on the environment. We are doing this by focusing on multiple areas including the use of better chemistry, sustainable materials, and the reduction of manufacturing waste.

As a global leader in the footwear space that sells nearly 300 million units each year, we have always felt it was important to consider the environmental impact of our packaging, product, and key logistics centers and corporate buildings with an eye towards sustainability.

We believe it is our responsibility as a family-focused footwear and apparel brand to create and implement sustainable strategies across our operations to minimize our impact on the environment and support our customers, employees, and partners.



DISTRIBUTION CENTERS

With one of America's largest LEED Gold Certified facilities and our environmentally minded Europe, China and India Distribution Centers, we're committed to reducing our impact on the world through green building design, operational efficiencies, solar panel installations, and waste and water use reduction.



North America Distribution Center

Rancho Belago, California
2.6 million square feet

-  LEED Gold certification.
-  Reflective foil insulation and natural lighting to moderate temperatures. Night flush vent system.
-  LED with light detectors and motion detectors, PLC machines and temperature controllers.
-  Use of corrugated recyclables to decrease landfill waste.
-  Native landscaping and building-wide water preservation efforts.



Europe Distribution Center

Liege, Belgium
2.2 million square feet

-  BREEAM Very Good Rating.
-  Lean & Green certification through CO2 reduction.
-  Reflective foil insulation and natural lighting to moderate temperatures.
-  LED with light detectors and motion detectors, PLC machines and temperature controllers.
-  Use of corrugated recyclables to decrease landfill waste.



China Distribution Center

Taicang, China
1.63 million square feet

-  Natural lighting to moderate year-round temperatures. Night flush vent system.
-  LED with light detectors and motion detectors, PLC machines and temperature controllers.
-  Use of corrugated recyclables to decrease landfill waste.
-  Native landscaping.



India Distribution Center

Palava City, India
0.8 million square feet

-  IGBC Platinum pre-certification. Application in process for LEED platinum certification, and LEED certified paints and raw materials and maximized local sourcing during construction.
-  Energy metering per zone to track zone-wise consumption and sensor-based lighting in pick-module and office areas.
-  Re-use of factory cartons for outbound dispatch to customers.
-  Rainwater harvesting.



CORPORATE HEADQUARTERS

Today, every major building development effort at our company takes sustainability into consideration, including our current corporate campus development in the United States. We have installed solar panels at three of the buildings comprising our corporate headquarters. The first three completed buildings of our future 300,000-square-foot headquarters have been certified as LEED Gold, and our supplemental buildings under construction are also designed to meet LEED Gold certification.

Features for our LEED Gold Certified buildings include:

- A 64-point Gold rating under LEED v2009 for Core & Shell, distinguished by its urban location and sustainable site characteristics
- Lighting and HVAC improvements that save more than 396,000 kWh of electricity per year
- Low-flow fixtures that save more than 230,000 gallons of water annually
- Commissioned HVAC, lighting and plumbing to ensure that performance meets expectations
- Low-emitting interior finishes

INDUSTRY INITIATIVES

We have been an active member of Apparel and Footwear International RSL Management (“AFIRM”) since 2018. As members of this initiative, we seek to further support the responsible use of raw materials and to reduce the use and impact of harmful substances in our products.

We are also active members of Footwear Distributors and Retailers of America (FDRA). Six footwear factories that we source from piloted a waste management program with FDRA starting in 2022 and have continued to implement waste management practices to date. In 2024, three additional factories enrolled in this program, bringing the total participating factories to nine. At this time, all nine factories are now diverting 100% of their waste from landfills.

These efforts represent our growing focus on environmentally sustainable practices.



OUR PLANET MATTERS® COLLECTION

The Our Planet Matters (OPM) collection of sustainable men's and women's footwear and apparel is designed with recycled materials to help reduce our environmental impact. Creating sustainable products continues to be a focus of our design team and management. In 2024, around 2.5% of products produced were part of the OPM line.

Produced with organically grown cotton and recycled polyester, cotton, rubber, EVA and TPU, as well as durable designs and washable technologies that help extend the life of our product, these styles are created with circularity in mind. Consumers can also find information about the recycled content of each style on packaging as well as on our website.

Minimum requirements to qualify for the Our Planet Matters collection differ by product category and can be seen on each product's packaging. In 2024, we continued to use a weight-based recycled content calculation for the upper on all new styles developed for the Our Planet Matters line to further encourage the use of greater quantities of recycled materials. In some styles, we also utilize recycled content in other components of the shoe such as recycled EVA, rubber and TPR in outsoles.

All footwear included in the Our Planet Matters product line produced in 2024 is made with at least 20% recycled content of the upper by weight. Among the Our Planet Matters collection, the BOBS category is produced with 30% recycled content uppers, and almost all products in the Cleo line are produced with at least 40% recycled content uppers and 20% recycled content outsoles.

For products included in the Our Planet Matters apparel lines, all products newly developed in 2024 are made from at least 70% recycled polyester or at least 50% organically grown cotton. All products, including footwear and apparel, are labeled with the specific details of recycled or organically grown materials used.

To accelerate our positive environmental impact, we also donated \$800,000 to The Nature Conservancy between September 1, 2021 and December 31, 2024. These funds helped support the organization's mission to conserve the lands and waters on which all life depends.

PACKAGING

Sustainable packaging is a priority at Skechers. We seek out new ways to increase our use of environmentally friendly materials and regularly conduct assessments to ensure that these items are FSC-certified, recycled or ethically harvested.



93%



of our shoebox materials are fully recyclable.

99.91%



of shoebox materials originate from FSC-certified, sustainable forest origins.

100%



of our packaging materials are printed with soy- or water-based ink.

100%



of our foot forms and tissue packaging are recyclable.

100%



of our polybags and plastic fasteners are composed of 100% recycled materials.

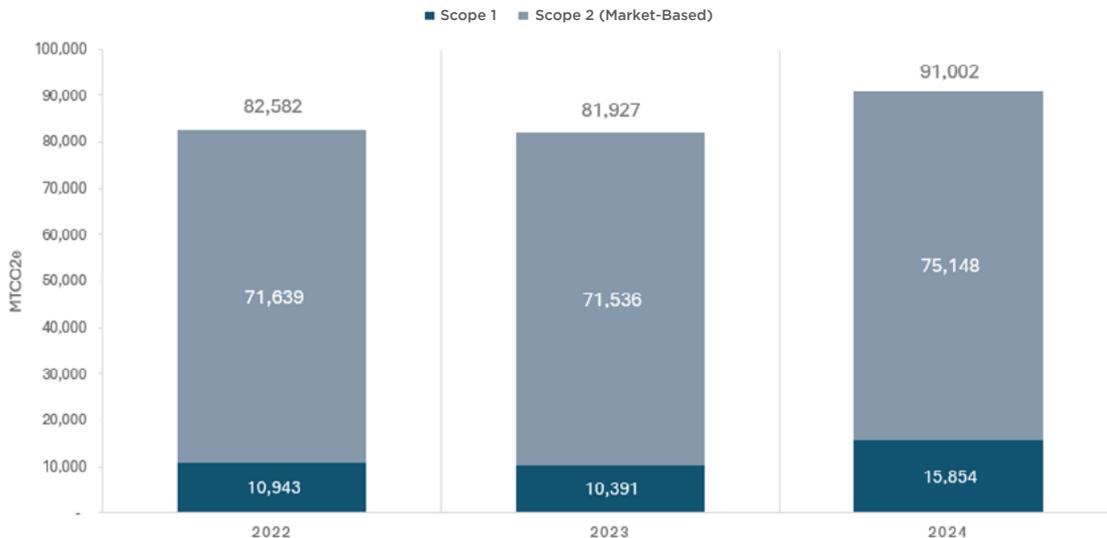
* As of 2024. Recycling guidelines, practices and capabilities vary in communities around the world; packaging may not be recyclable in all areas.

GREENHOUSE GAS EMISSIONS

SCOPE 1 AND 2 EMISSIONS

For FY2024, Skechers engaged a third party to help us measure our Scope 1 and 2 greenhouse gas (“GHG”) emissions. These emissions are made up of our electricity and natural gas usage from our offices, distribution centers, data centers, showrooms and retail stores, as well as refrigerant emissions for all physical locations, and mobile combustions from owned and leased vehicles. Emissions were calculated from a mix of primary and secondary data.

SKECHERS SCOPE 1 AND 2 GHG EMISSIONS (MTCO2E)



GHG Emissions Source	2021 (MTCO2e) Baseline year	2022 (MTCO2e)	2023 ¹ (MTCO2e)	2024 (MTCO2e)
Scope 1 Emissions	15,925	10,943	10,391	15,854
Scope 2 Emissions (Location-Based)	62,896	70,516	69,975	72,449
Scope 2 Emissions (Market-Based)	63,618	71,639	71,536	75,148
Total Scope 1 and 2 Emissions (Location-Based)	78,821	81,459	80,366	88,303
Total Scope 1 and 2 Emissions (Market-Based)	79,543	82,582	81,927	91,002
% Change YOY (Scope 1 and 2 Market-Based)	n/a	4%	-0.8%	11%

METHODOLOGY

Our emissions were calculated using methodologies consistent with the GHG Protocol Corporate Accounting and Reporting Standard. Our disclosure includes both market-based and location-based methodologies as defined by the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD). Emissions factors were sourced from the United Kingdom Department for Energy Security and Net Zero (UK DESNZ, formerly UK BEIS) 2023 and 2024, United States Environmental Protection Agency (US EPA) 2023 and 2024, US EPA Emissions & Generation Resource Integrated Database (eGrid) 2023 and 2024, Association of Issuing Bodies (AIB) 2023 and 2024, Ecoinvent 3.9.1 and 3.10, Higg Materials Sustainability Index (Higg MSI) 2023, International Energy Agency (IEA) 2023 and 2024, Grexel Systems Ltd. 2024, South Pole 2023 and 2024, Comprehensive Environmental Data Archive (CEDA) by Watershed 4.01 and various country-specific EF databases. For the market-based calculations, the residual method was used.

We use an operational boundary, aligned with the Greenhouse Gas Protocol, which includes all Company-owned, Company-leased, and JV-owned sites in Scope 1 and 2. All licensed (by our company, JVs or distributors) and distributor-owned sites will be calculated as part of our franchise emissions in Category 14 of our Scope 3 emissions.

¹ In our 2023 report, estimations were used for data where actual usage data was not available. The 2023 calculations have been updated in this report to incorporate actual usage data where available for September through December 2023.

DATA LIMITATIONS

Though thorough data collection was attempted for all our sites, there were instances where electricity and natural gas data were not provided. For sites with incomplete primary data, averages of the site-specific primary data were used to estimate missing energy usage. For sites with no data provided, energy usage was estimated based on either intensity factors calculated from sites with primary data or energy intensity factors from the International Energy Agency's (IEA) Energy Efficiency Indicators Database. In all instances, site type, square footage, and location were considered in estimating energy usage. In 2024, we continued to dedicate resources to improving our data collection capabilities. This improvement in data collection provides us with an increased confidence level in our Scope 1 and 2 emissions calculations.

ANALYSIS

Our Scope 1 and Scope 2 greenhouse gas (GHG) emissions increased by roughly 20% from 2021 (our baseline year) to 2024. Since 2021, Skechers has grown both our sales revenue and number of sites significantly, the key drivers of the increase in emissions. This is also reflected in the 16% increase in Scope 1 and 2 emissions between 2023 and 2024, which closely mirrors the 16% growth in site count and is less than the 27% growth in site area over the same period. The region that had the most growth was in APAC (number of sites increased by 30%), where the grid is more carbon intensive, leading to higher emissions. Another driver of increased emissions was increased electricity usage at many of our sites in 2024 as compared to 2023. Our emissions footprint reflects our business model, which involves a large retail and distribution presence. The majority of our Scope 1 and 2 emissions (over 68% in 2024) are derived from our retail operations.

SCOPE 3 EMISSIONS

In 2024, we continued to expand our Scope 3 calculation efforts by calculating five key categories. To focus our efforts on the categories where we could make the most progress, we calculated the following categories for FY2023:

- Category 1: Purchased Goods and Services
- Category 2: Capital Goods
- Category 4: Upstream Transportation and Distribution
- Category 6: Business Travel
- Category 7: Employee Commuting

Though we still utilize spend-based data as needed, a concerted effort was made to utilize activity-based data when available. One improvement we were able to make to our Scope 3 calculations FY2023 was in Category 1: Purchased Goods and Services, where we were able to replace a large portion of the spend data with primary activity data for our products and packaging. Another improvement was to Category 4: Upstream Transportation and Distribution, where we were able to utilize the improved data collection for Category 1 to assign product weights to each shipment rather than the conservative estimates we used for container weights last year. Given this change in methodology for Category 4, we have recalculated 2022 so that the year-over-year changes are comparable.

We plan to continuously improve the accuracy of our calculations for all Scope 3 categories through improvements to primary data collection in future reporting. Once we completed the FY2023 calculations for the selected Scope 3 categories, we expanded our efforts further to begin to calculate our full Scope 3 inventory for 2024 data for the first time. These calculations have been conducted by leveraging a combination of spend data and primary activity data, and building upon the progress we made using the 2023 data for the selected categories that are most material to our footprint.

Scope 3 Category	2022 (MTC02e)	2023 (MTC02e)
Category 1: Purchased Goods and Services	1,676,892	1,404,615
Category 2: Capital Goods	Not calculated	34,590
Category 4: Upstream Transportation and Distribution	100,345 ¹	95,376
Category 6: Business Travel	Not calculated	19,277
Category 7: Employee Commuting	Not calculated	13,668
Category 14: Franchises	138,061	Not calculated

EMISSIONS REDUCTION EFFORTS

Our emissions reduction efforts have started with our distribution centers, which have the largest footprints of any site type. The solar panels that we have installed at two of our largest distribution centers in California and Belgium have generated 1,750 MWh of electricity for Skechers' consumption in 2024. Aside from distribution centers, select buildings in our corporate headquarters have received LEED Gold Certification and feature solar panels.

NEXT STEPS

We spent the last two years improving our data collection capabilities and are pleased to be able to report both our 2024 Scope 1 and 2 emissions and a selection of 2023 Scope 3 categories in this year's report. We plan to continue improving our data collection practices in preparation for future GHG inventories. This includes increasing primary data collection and evaluating potential technology platforms to assist with collecting and monitoring data across various environmental factors, including energy use and waste.

¹ In our 2023 Impact Report, this number was reported as 388,612 based on a methodology that relied heavily on conservative estimates of the weight per container shipped. This year, we were able to revise our methodology based on improvements to data that allowed us to calculate weight per shipment received. In order to ensure that calculations were comparable we have therefore re-calculated Category 4 FY2022.

OUR CHEMICAL MANAGEMENT APPROACH

Our material suppliers use chemicals in dyeing and other processes, and our approved factories use these materials in footwear, apparel, and accessories. As part of our focus on protecting consumers, workers, the environment, and our brand, we have protocols in place that restrict the use of certain chemicals in accordance with our Skechers Restricted Substances List (SRSL). We also regularly educate our supply chain on the latest regulatory restrictions to understand what chemicals to prioritize and target for reduction or elimination from our products.

Our SRSL details chemical compounds that cannot be present in any finished products sold by Skechers and includes substances that are banned by law, including PFAS, as well as chemicals we have restricted voluntarily. Skechers has developed its own SRSL to reflect the strictest global legislation and the most restrictive allowable global limits for all locations worldwide. We employ a hazard-based approach to manage our chemical use, and our SRSL goes beyond legal requirements and follows accepted industry standards.

We have an SRSL Implementation Plan that we use to notify suppliers when each SRSL update becomes effective. Our Skechers Testing Team works in conjunction with third-party labs each year to update our SRSL to reflect our most recent and updated regulations. All factories must sign our SRSL acknowledgement letter when our SRSL is updated to a new edition (updates typically occur once a year; the most recent update to the SRSL occurred in November 2024).

COMPLIANCE AND TESTING

Communication is central to our approach to safety, and training is an integral part of our quality assurance and management system. Our Skechers Restricted Substances List also ensures that our products comply with applicable global standards with respect to restricted substances. We continuously improve this policy so that our products meet our consumers' expectations.

Documentation is provided to active material suppliers to outline the requirements of the SRSL. To ensure compliance, all Tier 1 suppliers and our largest Tier 2 suppliers are required to sign an annual acknowledgement letter stating that they will abide by our SRSL and ensure compliance for all materials (from Tier 2 suppliers and beyond) used in our products. For each annual update to our SRSL, all licensees are required to sign an acknowledgement letter stating that they will abide by the SRSL. Some licensees may have their own RSL that is more tailored to their product categories, in which case we will review on a case-by-case basis to determine compliance with the SRSL. For licensees, this letter is in addition to their agreement to comply with all laws and regulations applicable to their products and materials. The requirement for compliance with the SRSL applies to all materials that are ordered by factories for use in our products, including all materials used in Skechers and Skechers-licensed products.

SRSL testing is completed by our approved third-party laboratories. Suppliers are required to provide proof of compliance with the SRSL through our third-party laboratories annually. When suppliers provide materials to factories producing our products, they must have a valid SRSL test report (issued within one year) on hand for those materials.

Suppliers must also provide a valid SRSL test report in order to become an approved supplier. For all active suppliers, test reports on all materials used on our products are provided annually at a minimum. If failed reports come through, our Skechers Testing Team has a protocol to follow up with suppliers to indicate which part of the product failed and how to resolve the issue.

Once proven by a supplier, factories are fully responsible for ensuring that all products shipped to us are in full compliance with the SRSL. Factories are expected to ensure that all changes in requirements are communicated to their material suppliers promptly. Only materials and components that are tested and comply with the SRSL can be used for production. Once materials have passed the tests, these materials can then be used for multiple seasons or SKUs providing there are no changes in the material or the supplier. We also randomly select samples during production and from finished products for testing. This random testing is done in-house by Skechers for lead and phthalates, and by third-party labs for the full SRSL.

We partner with outside laboratories to implement a testing program for factories and suppliers to prove adherence with the SRSL in a cost-effective way.

In the event that we request additional information throughout the year, a declaration of product compliance and an updated test report must be provided upon request.

NON-COMPLIANCE

If we identify non-compliance with the SRSL, we require factories or materials vendors to first rework the product in question and send the improved product to Skechers-approved third-party labs for retesting.

Upon receiving regularly submitted product reports, Skechers may identify a substance content value outside the acceptable range outlined in the SRSL. This would then prompt our testing team to contact the manufacturer and follow up with a root cause assessment and remedy the issues identified. The factory will then be asked to correct the identified issues, submit new products for re-testing, and correct the process for all future productions. Our own Skechers team will also conduct an on-site evaluation and random sampling of the products in question and verify with our own internal testing before confirming compliance with the SRSL to ensure that the factory can avoid rejected products for the order in question and for future orders. In cases where the product cannot be reworked or improved, the order is destroyed according to our Restricted Substances Compliance Policy.

In addition, the vendor is required to provide root cause analysis along with a Corrective Action Plan. If needed, our compliance team works with third-party labs which offer consulting and can help identify root causes for our suppliers. These third-party labs also conduct continuous auditing and provide training on the expected manufacturing process to meet our standards. This training, developed with us, helps suppliers create standard operating procedures that will support them in efforts to avoid non-compliance in the future.

NEW MATERIALS

New material suppliers are required to prove compliance with the SRS� in order to be an approved supplier. New materials are required to pass SRS� testing and be approved by our Skechers Compliance and Materials team before use in our products. We have a Standard Operating Procedure for verifying compliance with the SRS� as part of our new material selection and approval process.

SUPPLIER SUPPORT

We host SRS� seminars annually to educate our supply chain on SRS� updates and reasons behind the updates, including risks and hazards associated with each restricted chemical. In 2024, we hosted annual SRS� seminars for our Tier 1 factories and Tier 2 suppliers for footwear and apparel with in-person and online options, one in Mandarin and one in English; the seminars were attended by representatives for 159 supplier groups, representing 74 percent of our Tier 1 factories and 11 percent of our approved Tier 2 suppliers. Suppliers that do not attend the seminars can inquire about updates to the SRS� by contacting Skechers' Compliance Team or Skechers' Tier 1 Factories. We also support our suppliers by helping them to identify risks related to chemicals in their processes and find solutions.

FOCUS ON SUSTAINABLE CHEMISTRY

In addition to the SRS�, we encourage our material suppliers and approved factories to use and develop more environmentally sustainable options, as well as apply third-party certifications and value these certifications in their supply chains.

INDUSTRY COLLABORATION

Industry collaboration is an important part of our chemical management strategy. As many of our material vendors and manufacturing facilities are also part of the supply chains of other brands, we have worked with a variety of industry associations and are an active member of Footwear Distributors and Retailers of America (FDRA) and Apparel and Footwear International RSL Management (AFIRM).

We are actively involved in AFIRM's member meeting discussions regarding chemical management, shared insights and best practices.



OUR PARTNERS MATTER

At Skechers, our suppliers are integral partners in delivering our stylish, high-quality apparel and footwear to our consumers worldwide. We expect our partners to share and uphold our values by fostering respect for workers in our supply chain, safeguarding their health and safety, and promoting responsible environmental practices.

The global supply chain is subject to multiple risks and uncertainties. One such risk for Skechers is our manufacturing partners' ability to comply with our Supplier Code of Conduct and applicable local laws. This includes vigilance against social risks, including child and forced labor, migrant workers' rights, occupational health and safety, rights to collective bargaining, and minimum wage non-compliance. It also includes vigilance against environmental risks, including the use of hazardous chemicals, water stewardship, GHG emissions, and waste management. In August 2024, we updated our Supplier Code of Conduct to ensure comprehensiveness and alignment with industry-best practices and core ILO conventions.

The Skechers Supplier Code of Conduct applies to all facilities that produce goods for Skechers. This code strives for alignment with local regulations, industry standards, and universal human rights principles, and establishes the basic requirements all suppliers must meet to work with us. The code numerates our policies and expectations on topics including discrimination, harassment and abuse, forced labor, underage labor, freedom of association, compensation and benefits, hours of work, health and safety, subcontracting and recruitment homework, and the environment.

The application of our Supplier Code of Conduct is managed by our Social Compliance Team. Our team is comprised of internal auditors who are responsible for auditing our suppliers and their factories for compliance utilizing the guidelines set forth in our Supplier Code of Conduct. The Social Compliance Team and our Social Compliance Program are governed by our ESG Committee and regularly report the results of their audits, including to our ESG Committee. In addition, we evaluate the effectiveness of our Social Compliance efforts through reviews by our Corporate Internal Audit practice.

In 2024, we conducted quarterly reviews of the Social Compliance Program and audit results with the ESG Committee to focus on continued improvement and oversight. We have also been working to implement a new technology solution that will allow us to improve oversight and transparency for management into real-time audit results for our factories.

SOCIAL COMPLIANCE STANDARD

The Skechers Social Compliance Standard outlines the guidelines that the Social Compliance Team follows when auditing our suppliers against our Supplier Code of Conduct. This standard provides the grading criteria for evaluating audit results and associated grading for the audit. This standard also outlines a list of zero-tolerance and critical issues for Skechers, as well as the protocol for what to do if these issues are identified at a given supplier. In addition to individual instances of non-compliance, the standard outlines the potential consequences for a factory that fails to meet the minimum requirements to do business with us.

Prior to starting work with any supplier, we make the prospective supplier aware of our Social Compliance Program and its expectations. All new Tier 1 suppliers are either audited by our Social Compliance Team or asked to provide a third-party audit to Skechers. All suppliers are required to sign an acknowledgement of our Supplier Code of Conduct. Tier 1 suppliers are required to sign our Supplier Code of Conduct annually, and all Tier 2 suppliers sign when they are onboarded.

Our Social Compliance Team routinely conducts both semi-announced and unannounced audits. Unannounced audits can be conducted at any time, without any notice to suppliers in advance. Semi-announced means a notice without a specific audit day but within a provided window period. The denial of access into the facilities results in a “Fail” audit if no reasonable or understandable explanations are provided.

We use our Social Compliance Standard to evaluate factories with a particular focus on zero-tolerance and critical issues. The below table shows how audits are graded.

AUDIT GRADE	EXPLANATION
A	Performance is very good with no critical or zero-tolerance issues identified and few or no non-compliance issues identified. Sustainable social compliance management with mature internal monitoring and process improvement has been established. Social compliance management is mature and proactive.
B	Performance is acceptable with no critical or zero-tolerance issues identified, and limited non-compliance issues identified. Social compliance management has been implemented and is functioning.
C	Performance needs improvement though no critical or zero-tolerance issues identified. Non-compliance issues identified requiring a corrective action plan and follow-up audit required within 6 months. Social compliance management has been established, but requires maturation.
D	Performance needs significant improvement due to critical issue identified or numerous non-critical issues identified. No zero-tolerance issues identified. Corrective action plan required with follow-up audit required within 3 months. Social compliance management has been established, but requires maturation. Orders will be impacted.
F	Performance is unacceptable with multiple critical issues or one or more zero-tolerance issues identified. Immediate cessation of orders effective.

- **Zero-tolerance issues:** The presence of a zero-tolerance infraction at a factory will immediately result in a “Fail” grade due to the failure to meet our minimum Social Compliance Standard requirements. As a result of receiving a “Fail” grade, our production at this factory will be seriously impacted, including, in most instances, the immediate cessation of new orders and often an immediate production stoppage. New orders with a factory receiving a “Fail” grade are prohibited until the receipt of an updated audit result with a passing grade.

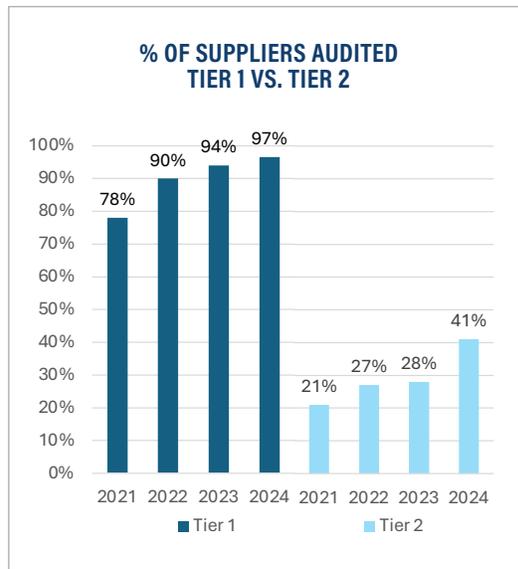
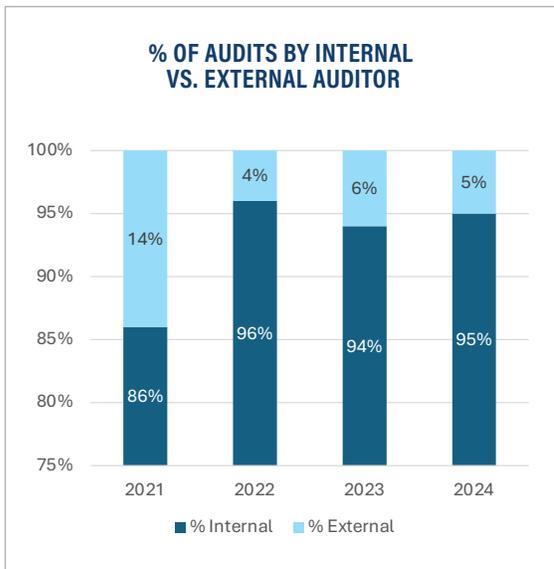
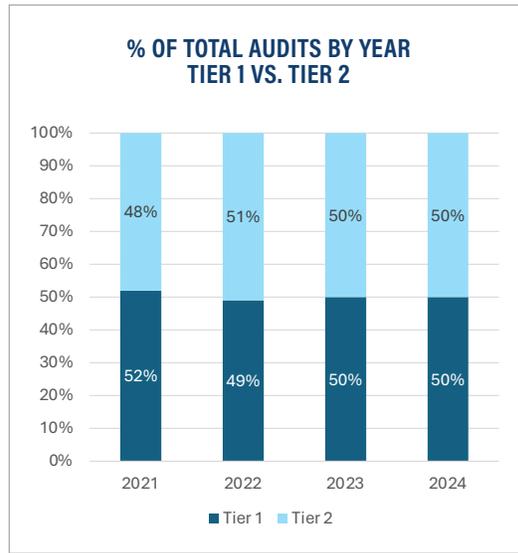
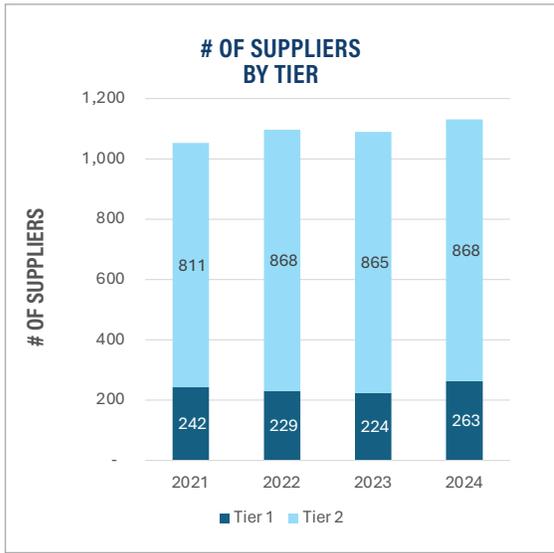
Zero-tolerance issues are:

- Corruption and Bribery
 - Forced Labor
 - Harassment and Physical Discipline
 - Illegal Business Operation
 - Illegal Migrant Workers
 - Unacceptable Limited Access to Facilities and Employees
 - Unapproved Subcontracting and Homework
 - Underage Labor (Child Labor)
- **Critical issues:** The presence of a critical issue at a factory will result in the issuance of a corrective action plan with a strict remediation timeline. Failure to mitigate a critical issue will result in a “Fail” grade. Provided a “Fail” grade is not issued, the presence of a critical issue at a factory may impact the continuation of and/or receipt of new orders. Factors considered related to new orders include the factory management’s cooperativeness and willingness to improve, and the capability and capacity of the factory’s internal systems.

Critical issues are:

- Discrimination
 - Insufficient Environmental Protection
 - Insufficient Fire, Building Construction and Production Safety
 - Insufficient Health Protection
 - Insufficient Working and Living Environment
 - Lack of Protections for Minors
 - Lack of Protections for Pregnant Workers
 - Lack of Transparency (including inconsistent records or suspected false documents)
 - Poor Satisfaction from Workers
- **Warnings:** The presence of issues that result in warnings at a factory will be incorporated into a corrective action plan issued subsequent to the audit. Factories receiving warnings that result in a C or D grade will be required to be re-audited within two to six months with the timeline based on the severity of the warning, and the factories that receive a D grade are required to execute a commitment letter for improvement. The presence of an issue resulting in a warning will not immediately impact the continuation and receipt of new orders. If unresolved, the factory will be considered to have critical issues.

AUDIT AND COMPLIANCE DATA



Our audit and compliance activity metrics provide insight into the efforts undertaken by our social compliance program and team. For Tier 1 suppliers not audited by us directly, we require the factory to provide an audit report conducted against a third-party standard. Third-party audit reports are also collected from all factories that have available external audit reports, including those that we audit directly, for our records. The factories that were issued serious warning letters and received a “D” grade have committed to improvement via a signed commitment letter and a follow-up audit was conducted within two to four months of the initial audit. Any new factories that fail the initial audits receive one chance to fix any issues, as long as there were no zero-tolerance issues, and if those are not remedied, the new factory will not be approved to do business with Skechers. If a zero-tolerance issue is identified at a new factory in the initial audit, the factory is immediately failed and is not approved to do business with Skechers.

In 2024, we increased our efforts to audit Tier 2 factories, auditing over 100 of our Tier 2 factories for the first time. This increased effort is also reflected in the higher percentage of Tier 2 factories audited this year compared to prior years.

METRIC	2022	2023	2024
# of audits	507	518	714
% of Tier 1 audited	90%	94%	97%
% of Tier 2 audited	27%	28%	41%
% of total audits conducted by internal auditors	96%	94%	96%
% of total audits conducted by external third-party auditors	4%	6%	4%
# of serious warning letters	27	11	44
# of new suppliers with failed audits (not approved to do business)	4	1	1
# of failed audits at existing factories (removed from approved supplier list)	2	2	3
# of Tier 1 suppliers	229	224	263
# of Tier 2 suppliers	868	865	868

Audits that were conducted by third-party auditors apply various standards and frameworks including Worldwide Responsible Accredited Production (WRAP), Social & Labor Convergence Program, SMETA, Better Work, and BSCI. Over the last two years, our entire social compliance audit team has participated in SA8000 and additional audit trainings to continue to keep our auditing skills and knowledge up to date. Skechers holds an annual internal summit with the entire Social Compliance Team, which includes trainings to review updates to Skechers policies, including the August 2024 update to our Supplier Code of Conduct, and changes in regulations, which give our team a chance to share best auditing practices. Our auditors also review the grievance records and interview workers about complaints.

SUPPLIER TRAINING

In 2024, we partnered with Extensive Standard Technical Services Co., Ltd. (ESTS), a third party, to conduct an online social compliance training for Tier 1 and Tier 2 suppliers. Over 89% of our Tier 1 suppliers and 46% of our Tier 2 suppliers attended this year's training.

This training covered topics including vulnerable worker groups, working hours and wages, and environmental protection. More detail was provided on the prevention of child labor and protection for young workers, female workers and foreign employees, as well as various kinds of pollution including air, water, solid waste and noise. In order to keep our suppliers up to date, we work with our training partners to select a new set of topics that rotate each year which are high priorities for Skechers' suppliers to manage and address.



OUR PEOPLE MATTER



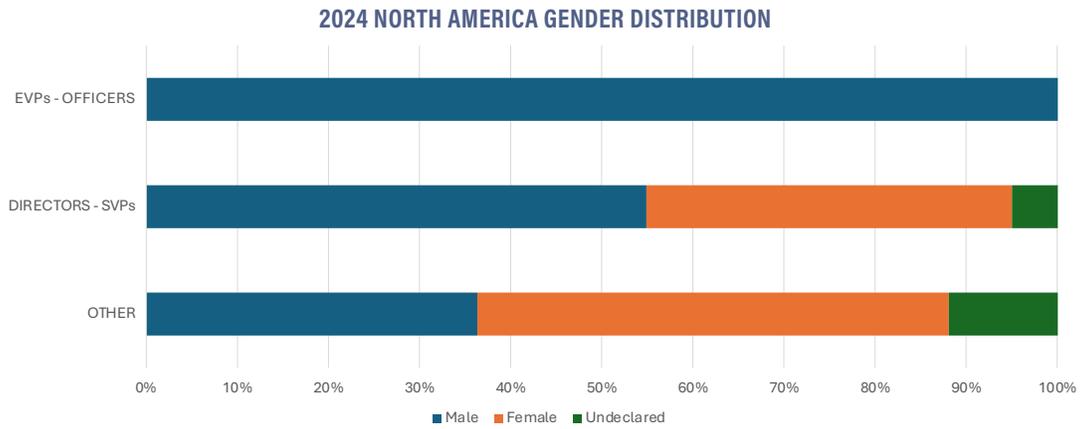
At our core, we're a family brand, and our commitment to family extends to our diverse team of global employees. We believe our unique backgrounds and experiences have made us stronger, inspired new ideas, and driven our innovative spirit. From our corporate offices and distribution centers to our retail stores, we aim to build a workplace that supports each employee's well-being, encourages them to grow in their careers and offers opportunities to give back to their community. We are focused on creating a welcoming, positive, supportive environment where our team can work and feel their best.

We aim to:

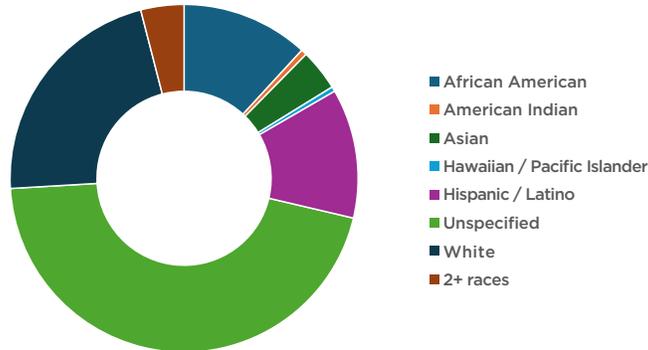
- Attract top talent with different social and ethnic backgrounds and experiences. With a more diverse employee base, we seek out varied viewpoints and creative approaches aligned to our consumers, which we believe fuels innovation and relevancy, and makes us stronger as an organization and brand.
- Invest in our people so they can grow their skills and further their careers at Skechers. We believe it is critical to our success as a business to have employees who are engaged and have the tools to help drive our business forward.
- Retain our dedicated and loyal team of employees as their knowledge and experience are important to our ongoing success.

We are a founder-led organization, and our officers largely comprise individuals who have been with the Company since it was established over 30 years ago. Their experience and leadership are key to our success, and each remains actively engaged in our business today.

At year-end 2024, our global headcount of full- and part-time company employees was approximately 20,100. Approximately 55% percent of our employees were based in North America. Further demographic information for our North America employees is found below.



RACE / ETHNICITY OF 2024 NEW HIRES IN THE UNITED STATES



ATTRACT TOP TALENT

Skechers is proud to attract and hire professionals who reflect our customers and communities. As we continue to grow, we hire thousands of retail associates to effectively operate our stores. We were able to fully staff our new locations in 2024, leading to successful openings.

Last year, we continued our robust program of active campus recruiting, one of the ways we are able to attract a diverse set of new hires. As part of this effort, we engaged over 20 different local colleges and universities across the United States. Additionally, we provide career opportunities for those without advanced degrees.

We also continued to create attractive employment opportunities for individuals with diverse abilities in several countries, including the following:

- Belgium - a partnership with a local program providing work for neurodivergent individuals at our European Distribution Center;
- France - collaboration with Hello Handicap to increase employment opportunities for all needs;
- Italy - regular job postings for protected categories;
- India - launched an initiative to support hiring differently-abled staff at our stores; and
- Chile - nearly 2% of our employees are individuals with diverse abilities, as part of our commitment to inclusive employment practices.

We have won numerous awards for being a trusted and ideal company to work for from reputable organizations. These recognitions have highlighted Skechers' exceptional commitment to investing in its workforce, driving economic mobility and positive career outcomes for our employees, and fostering employee growth. Our strategic approach to promoting from within, competitive compensation packages, innovative hiring practices, and strong employee retention rates set us apart from peers in the retail and footwear sector. By excelling in these key areas, Skechers demonstrated its dedication to creating a workplace environment that not only drives business performance but also prioritizes individual employee development.

We seek to provide market-competitive compensation and benefits that not only attract the best talent but also retain our current employees. We offer a broad range of benefits, including: medical, prescription, dental and vision plans, flexible spending accounts, company-provided disability insurance, pet insurance, paid sick and vacation time, an employee assistance program (including access to mental health and legal and financial services at no cost to employees), child care subsidies, parental leave (eligibility and benefit levels vary by program and location) and tuition reimbursement. Additional benefits for certain employees include a 401(k) plan, 529 college savings plan and pensions.

Benefits in directly managed countries, where we have company employees, are based on local laws and guidelines, but we endeavor to follow similar goals: market-competitive compensation and benefits that retain employees, with a focus on wellness for the whole self. In our ongoing commitment to employee wellbeing, we have partnered with key vendors across the globe to provide invaluable support to our team members and their immediate families.

INVEST IN OUR PEOPLE

In our efforts to invest in the best talent, we are focused on building skills and providing career growth opportunities, allowing us to draw upon our employee base across the organization. Whether a new hire is entering the workforce for the first time, or a tenured employee is exploring a new opportunity, we have a variety of ways to support them as they build their careers and grow their skills at Skechers. We provide a training program for first-time managers and a leadership program for seasoned managers.

In 2024, we launched several new learning and development initiatives. In May, all employees were provided with access to our new, globally available, Learning Management System (LMS). Our LMS offers self-paced online content for leadership development for all employees and provides our employees with access to a wide variety of learning modules and topics in support of their professional development. We are able to upskill our employees by providing specialized trainings for each team, creating customized content and leveraging external training resources.

In the first half of 2024, the second cohort of our Leadership Development Academy (LDA) was completed, which targets high-performing Store Managers and General Managers, providing them with a comprehensive learning experience that combines leadership workshops, hands-on training and insights from guest speakers across various business domains. Participants are exposed to cutting-edge strategies in finance, product merchandising, operations and people management. The LDA not only enhances the skills of our current leaders but also cultivates a pipeline of talent ready to take on greater responsibilities within our company. Additionally, in Retail, we launched a pocket guide designed for new employees in stores which goes hand-in-hand with 12 e-learnings and hands-on scenarios. Since its launch in October, this initiative has made significant strides in effectively onboarding new teammates with an initial rollout in our stores in North America. The program's rollout has been strategically phased, with plans to pilot next in the EU and UK in 2025.

RETAIN A DEDICATED WORKFORCE

At Skechers, we strive to foster an environment where our employees feel valued and engaged. We bring teams together at the regional, national, and international level so they can learn, celebrate successes, and stay connected to our mission. We are also proud to recognize employees through our service anniversary program, which celebrates and thanks employees for their commitment and dedication.

Our focus on learning and development aligns with our broader success in internal growth, where globally, 51% of our retail management team has been promoted, with an even higher rate of 55% in the US. Skechers remains committed to creating opportunities that enable our employees to gain new skills, experiences, and knowledge as they look to progress their careers with us.



OUR COMMUNITIES MATTER

We are a global lifestyle brand focused on supporting numerous communities around our operation centers, from our corporate offices and logistics center in Southern California to satellite offices and facilities around the world. The Company values philanthropy – and fosters a culture where our employees positively impact others by giving back and helping to change the lives of those in need worldwide. To make an impact now and for future generations, we have launched philanthropic collections, developed charitable programs locally and in international markets, established the Skechers Foundation, and contributed to organizations worldwide. We are also able to use our valuable retail footprint to raise additional funds for important causes and 501(c)(3) organizations.



BOBS® FROM SKECHERS®

BOBS from Skechers is a philanthropic collection established in 2011 to provide footwear to children impacted by natural disasters and economic challenges—initially donating product through consumers’ purchases, and then providing flat donations to support youth in need worldwide. From 2011 to 2023, we partnered with several charity organizations to donate more than 16 million pairs of shoes around the world.



We have also donated Skechers shoes as well as apparel, accessories and supplies to support Head Start programs, education foundations, homeless shelters, disaster relief and 501(c)(3) nonprofit organizations.



Since 2015, the BOBS program has focused on efforts to save and support shelter pets. For specially marked footwear, apparel and accessory items sold in select countries, we have contributed funds to non-profit organizations in the markets where the items are purchased. In the United States and Canada, we donated 25 cents per item to Petco Love in North America through 2024. In the UK, we donate 25 pence per item to Wood Green Animal Shelters, and in Japan, we contribute 30 yen per pair to ALMA

In 2024, we donated more than \$2.2 million to these organizations—and to date, we have contributed over \$13.5 million to help provide lifesaving adoptions and healthcare services for more than 2.3 million shelter animals in these regions.



Skechers hosts and participates in pet adoption events throughout the year to drive awareness for the BOBS program. In 2024, we provided Petco Love with quarterly funds, of which a portion supports their extensive animal welfare network.

In 2024, our donations supported the following organizations across the United States and Canada, as well as others:

- Adopt an Angel
- Anderson Humane
- Angels Among Us Pet Rescue
- Brooklyn Bridge Animal Welfare Coalition
- Cat Adoption Team
- DaisyLu Ranch
- East Bay Rabbit Rescue
- Last Chance at Life
- Lovejoy Foundation
- Maricopa County Animal Care & Control (MCACC)
- MeowwzResq
- Meow Parlour
- Mostly Mutts
- Mountain Humane
- MUTTVILLE senior dog rescue
- SOUL an Animal Rescue Shelter for outcasts, unusuals and the lost
- SPCALA
- SpokAnimal
- Three Little Pitties Rescue
- Tiny N Tall Rescue
- Underdog Animal Rescue
- Washington County Johnson City Animal Shelter

We also supported the adoption of approximately 5,900 animals in North America through Mega Adoption Events in Delaware, Florida, New York, Ohio and Texas, as well as Skechers store adoption events in California, North Carolina and Tennessee.

OUR HUMANITARIAN EFFORTS

In 2024, Skechers continued to support fire victims in Maui, following our \$250,000 donation in 2023 with an additional \$50,000 in Skechers Foundation contributions and \$25,000 that we raised at our stores for impacted families. We also donated more than \$250,000 to our Skechers ambassadors' charitable foundations, including CT3 Foundation, InspiringHK Sports Foundation, Kershaw's Challenge and Pujols Family Foundation.

RETAIL ROUNDUPS

Through our network of 500+ Skechers retail stores across the United States and Canada, we are able to ask shoppers to donate in support of a wide range of causes. In 2024, our in-store fundraising surpassed \$900,000 for organizations like Adopt-A-Classroom, American Nurses Foundation, Petco Love, the Harrison Greenberg Foundation and Players Philanthropy Fund, as well as the Skechers Foundation to support national college scholarships and education.



OUR EMPLOYEES

Skechers employees are encouraged to participate in a variety of causes—from volunteering at shelter dog adoption events, to attending established non-profit programs, painting schools in the community, donating during blood drives and providing toys, shoes and care packages that support underprivileged families, hospitals, shelters, veterans and the homeless.

Our team has supported Two Ten Footwear Foundation and its Women in the Footwear Industry (WIFI) community in the United States; Canadian Cancer Society, Chus Foundation, LEUCAN and Make-a-Wish Foundation in Canada; and Wood Green Animal Shelters in the U.K., as well as other local and national organizations.



SKECHERS FOUNDATION

Established in 2010 to help children in need and provide educational support, the Skechers Foundation is an extension of our charitable activities—dedicated to strengthening communities to ensure the health, success, and well-being of youth around the world. Skechers Foundation invests in a global network of charitable organizations dedicated to embracing individuals with diverse abilities, improving education, empowering disadvantaged families, and providing humanitarian, disaster and economic relief. By supporting millions through products and services, the Skechers Foundation aspires to create stronger, self-sufficient individuals for future generations.

SKECHERS PIER TO PIER FRIENDSHIP WALK

The Skechers Foundation produces the Skechers Pier to Pier Friendship Walk, one of the country's largest events dedicated to helping children with varying abilities and education. Since 2009, the annual 3.5-mile walk has mobilized walkers, sponsors and shoppers at Skechers register round-up events, raising more than \$27 million for neurodivergent children, public school foundations, and the Skechers Foundation national college scholarship program.

SKECHERS FOUNDATION NATIONAL COLLEGE SCHOLARSHIP PROGRAM

Funded by the Skechers Pier to Pier Friendship Walk and our company's register round-up events at its retail stores, the Skechers Foundation national college scholarship program was established to provide scholarship funds to students attending American colleges based on their financial need, academic performance, athletic abilities and leadership qualities. Since 2017, the Foundation has provided more than \$2.1 million in funding for the program.

LOCAL IMPACT

The Foundation is a longtime sponsor of local events in Southern California such as the annual Skechers Manhattan Beach Holiday Fireworks and Skechers Snow Park, and supports charities globally and locally that focus on education, children with varying abilities and families.



ABOUT THIS REPORT

This is our third annual Impact Report. It has been produced in partial alignment with the Sustainability Accounting Standards Board (SASB) standard for the apparel, accessories and footwear industry. We engaged the third-party consulting and advisory services of Georgeson and South Pole to support our sustainability efforts in 2024, including ongoing stakeholder engagement, data collection, GHG emissions calculations and preparation for incoming regulatory requirements. Our Impact Report contains quantitative metrics from 2024 where data is readily available, and from 2023 where 2024 data is not yet available. When relevant, we have also included data from earlier years to show progress. We intend to continue to report on our ESG progress as we evolve.

SASB TABLE

CONSUMER GOODS - APPAREL, ACCESSORIES & FOOTWEAR SUSTAINABILITY ACCOUNTING STANDARD

SASB Table 1: Sustainability Disclosure Topics and Accounting Metrics

TOPIC	SASB METRIC	REPORT REFERENCE LINK	SKECHERS DATA	CODE
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	Our Chemical Management Approach	All suppliers are required to sign an acknowledgement letter of the SRSL. Suppliers are required to provide proof of compliance with the SRSL through our third-party laboratories annually. When suppliers provide materials to factories producing our products, they must have a valid SRSL test report (issued within one year) on hand for those materials. Suppliers must provide a valid SRSL test report in order to become an approved supplier. For all active suppliers, test reports on all materials used on our products are provided to us annually. For more information, see "Testing and Compliance" section.	CG-AA-250a.1
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Our Chemical Management Approach	See "Testing and Compliance" and "Non-Compliance" sections.	CG-AA-250a.2
Labor Conditions in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	Our Partners Matter	<ol style="list-style-type: none"> 97% of Tier 1 audited in 2024 41% of Tier 1 audited in 2024 4% of all audit reports received by Skechers conducted by third-party auditors in 2024 <p>For more information, see "Our Partners Matter" section.</p>	CG-AA-430b.1
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Our Partners Matter	<p>In 2024, one new supplier was rejected based on a fail grade at the initial audit. Three existing suppliers failed audits and were removed from the supplier list.</p> <p>For more information, see "Our Partners Matter" section.</p>	CG-AA-430b.2

SASB Table 2: Activity Metrics

ACTIVITY METRIC	UNIT OF MEASURE	SKECHERS METRIC	CODE
Number of Tier 1 Suppliers and suppliers beyond Tier 1	Number	263 Tier 1 suppliers in 2024 868 Tier 2 suppliers in 2024	CG-AA-000.A

FORWARD-LOOKING STATEMENT

The statements, estimates, projections, guidance or outlook contained in this report include “forward-looking” statements that are intended to take advantage of the “safe harbor” provisions of U.S. federal securities law. In some cases, you can identify forward-looking statements by terms such as “believe,” “anticipate,” “expect,” “estimate,” “intend,” “plan,” “project,” “will,” “could,” “may,” “might,” or any variations of such words with similar meanings. These statements may contain information about environmental, climate, diversity and inclusion, or other “ESG” targets, goals and commitments, financial prospects, economic conditions, and trends and involve risks and uncertainties. Our actual future results, including the achievement of our targets, goals or commitments, could differ materially from our projected results as the result of changes in circumstances, assumptions not being realized, or other risks, uncertainties, and factors. Such risks, uncertainties, and factors include the risk factors discussed more fully in the “Risk Factors” section of our filings with the U.S. Securities and Exchange Commission, including our reports on Forms 10-K, 10-Q, and 8-K, with respect to our environmental, climate, diversity and inclusion, or other “ESG” targets, goals, and commitments outlined in this report or elsewhere, and other assumptions, risks, uncertainties, and factors identified in this report.

A NOTE ON MATERIALITY

This report contains statements based on hypothetical scenarios and assumptions as well as estimates or topics that are subject to a high level of uncertainty, and these statements should not necessarily be viewed as being representative of current or actual risk or performance, or forecasts of expected risk or performance. While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with or reporting pursuant to the U.S. federal securities laws and regulations (even if we use the words “material” or “materiality” in this report).