SKECHERS
2025 IMPACT REPORT

OUR FOOTPRINT MATTERS

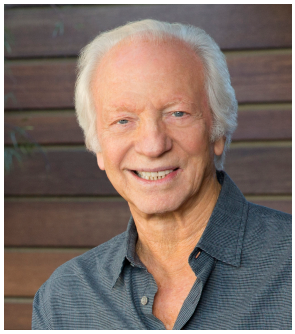


SKECHERS®

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MESSAGE FROM THE CEO



Robert Greenberg

2025 was a notable year for Skechers as we transitioned from a public to a private company with the acquisition by 3G Capital. We believe this transition provides the ideal opportunity to further grow Skechers and increase our global footprint, strengthening what makes us great.

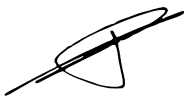
When we founded Skechers over three decades ago, our vision was to create a lifestyle brand focused on comfort, style, innovation, and quality at a reasonable price. As a Fortune 500® company and the third-largest footwear brand in the world with thriving Performance and Lifestyle divisions, we're proud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

Our determination to deliver our vast product range to consumers when and where they want to shop has helped make the world a more comfortable place to walk, run, work, and play. Today, we have more than 5,300 beautiful Skechers stores and numerous ecommerce sites worldwide, all of which are destinations for our vast product offering. With nearly two-thirds of our total sales coming from our international business, we are truly a brand for the world.

In 2026, our focus on our customers, consumers and employees remains sharp, as does our commitment to thoughtfully growing our footprint. Our Social Responsibility 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 eco-friendly 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 continue to explore new ways to enhance our business practices and processes to improve our products, support our employees, and positively contribute to our shared ecosystem.

As we continue to expand our strong foundation and connect Skechers with consumers around the world, we appreciate the opportunity to present our latest efforts and achievements in the 2025 Skechers Impact Report: a testament to our vision to build a brand that serves and supports our global community.



Robert Greenberg
CEO

OUR PURPOSE MATTERS

Skechers is a Fortune 500® company, the third-largest footwear company in the world, and an award-winning brand. Our success is in large part due to our commitment to our design principles established more than 30 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 a far-reaching impact 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 a $9.6 billion brand (year-end 2025) 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 our company, our consumers, and our planet. Environmental, Social, and Governance (ESG) efforts are considered as we approach the design and packaging of our collections; build our stores, logistics centers and offices; recruit and retain employees; and interact with our communities.

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.

$9.6

BILLION
YEAR-END 2025 SALES



35% DOMESTIC
65% INTERNATIONAL



44% DIRECT-TO-CONSUMER
56% WHOLESALE



46% AMERICAS
29% EMEA
25% ASIA PACIFIC

PRESENT IN APPROX.

180

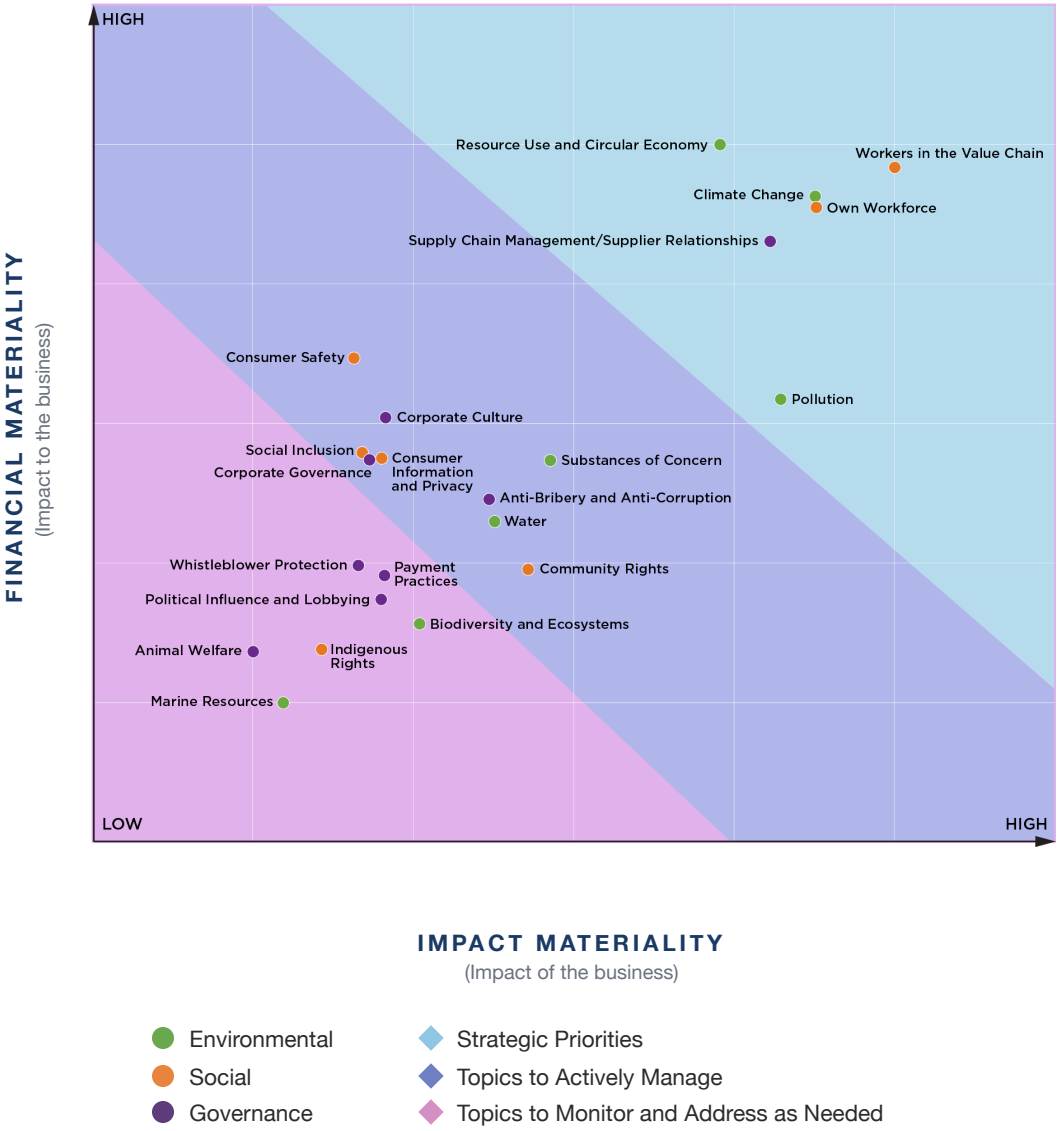
COUNTRIES

312

MILLION
UNITS SOLD IN 2025

Our double materiality assessment was conducted in 2023. This assessment consisted of stakeholder engagement with over 30 internal and external stakeholders including our employees, investors, customers, suppliers, nonprofits, and industry groups. We expect to refresh this assessment in the future, but at this time we believe it continues to accurately reflect the current state of our business. In 2025, we continued to prepare for incoming regulation. As part of this preparation, we have conducted a scenario analysis of our climate-related risks, which are shown as a material issue on the double materiality matrix below.

SKECHERS DOUBLE MATERIALITY MATRIX



In 2025, we continued to focus our sustainability strategy 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.

OUR GOVERNANCE MATTERS

In 2025, Skechers was acquired by 3G Capital Partners L.P. The Board of Directors is now 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.

We have an internal, cross-functional ESG Committee to oversee and advise our Board on ESG-related matters. This committee meets regularly and is led by the Chief Financial Officer of our company and comprises team members from key functions including Communications, Finance, Human Resources, Legal, Marketing and Product Development. The ESG Committee's primary responsibility is to direct and oversee the implementation of our ESG strategic roadmap. In addition, the committee regularly updates and advises our Board with respect to our company's progress against the ESG strategic roadmap as well as any significant ESG issues. Links to our publicly available policies can be found here and online at the Skechers Corporate Site:

- → California Transparency in Supply Chains Act Disclosure
- → 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 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. 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 our 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 impact on the environment.

As a global leader in the footwear space that sells over 300 million units each year, we feel it is important to consider the environmental impact of our packaging, products, 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.



SKECHERS CORPORATE HEADQUARTERS
Manhattan Beach, California

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 lighting with light and motion detectors, PLC machines and temperature controllers.
- Use of corrugated recyclables to decrease landfill waste.
- Native landscaping and building-wide water preservation efforts.
- Roof-mounted solar panel system generates renewable energy purchased by Skechers, with the remainder sold back to the grid.
- Electric yard goat utilized on site, reducing fuel consumption.



EUROPE DISTRIBUTION CENTER

Liege, Belgium · 2.4 million square feet

- BREEAM Very Good Rating. Lean & Green certification through CO_2 reduction.
- Reflective foil insulation and natural lighting to moderate temperatures.
- LED lighting with light and motion detectors, PLC machines and temperature controllers.
- Use of corrugated recyclables to decrease landfill waste.
- Roof-mounted solar panel system generates renewable energy used by Skechers, with the remainder sold back to the grid.
- Electric charging for passenger vehicles.



CHINA DISTRIBUTION CENTER

Taicang, China · 1.63 million square feet

- Natural lighting to moderate year-round temperatures. Night flush vent system.
- LED lighting with light and motion detectors, PLC machines and temperature controllers.
- Use of corrugated recyclables to decrease landfill waste, and re-use of factory cartons for outbound dispatch to customers.
- Native landscaping.
- Roof-mounted solar panel system generates renewable energy used by Skechers, with the remainder sold back to the grid.
- Electric charging for passenger vehicles.



INDIA DISTRIBUTION CENTER

Palava City, India · 0.8 million square feet

- LEED Platinum certification and IGBC Platinum pre-certification.
- Vertical storage incorporated into building design to decrease land and energy requirements. LEED-certified paints and raw materials, 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 and native landscaping.
- Roof-mounted solar panel system generates renewable energy used by Skechers, with the remainder sold back to the grid.
- Electric charging for passenger vehicles.



CORPORATE HEADQUARTERS

Today, every major building development effort at our company takes sustainability into consideration, including our current corporate campus in the United States. In addition to offering 48 EV charging stations and 24 e-bikes, we have installed solar panels across our global headquarters, retrofitting buildings that have historically comprised our campus, as well as on all our newer sites. These recently completed buildings in our future 300,000-square-foot headquarters have been certified as LEED Gold, and additional space currently under construction is expected to meet LEED Gold certification standards.

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 reduce the use and impact of harmful substances in our products.

We are also active members of Footwear Distributors and Retailers of America (FDRA). Nine footwear factories that we source from piloted a waste management program with FDRA starting in 2022. 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.

SUSTAINABLE MATERIALS

Skechers is committed to increasing the use of sustainable materials in our products. When possible, we have styles that utilize recycled materials including polyester, EVA and TPU. In addition to recycled materials, we have identified opportunities to source more sustainable versions of materials like leather, rubber, and cotton. Consumers can also find information about the recycled content of select styles on packaging as well as on our website.

LEATHER

Skechers is committed to supporting responsible leather manufacturing across the globe and that is why we are proud members of Leather Working Group. The Leather Working Group (LWG) promotes responsible environmental practices across the leather supply chain. In 2025, 100% of our leather was purchased from LWG-certified suppliers. We plan to continue this practice in 2026. In addition, we are exploring the use of recycled suede which will include the use of leather scraps from LWG-certified tanneries.

RUBBER

In 2025, when possible, we sourced patented soybean oil rubber by Goodyear® for improved traction and performance. Soybean oil is a more sustainable alternative to fully petroleum-based products due to soybeans being a renewable resource.

We continue to explore opportunities to source more sustainable materials.

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.



100%
of our shipping cartons are recyclable.

100%
of our Tier 1 suppliers' master cartons are recyclable and produced with soy- or water-based ink.

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

96.8%
of our shoebox materials are fully recyclable.

98.8%
of shoebox materials originate from FSC-certified, sustainable forest origins.

100%
of our foot forms and tissue packaging are recyclable.

100%
of our packaging materials are printed with soy- or water-based ink.

As of 2025. Recycling guidelines, practices and capabilities vary in communities around the world; packaging may not be recyclable in all areas.

Goodyear (and Winged Foot Design) are trademarks of or licensed to The Goodyear Tire & Rubber Company used under license by Skechers USA, Inc., Manhattan Beach, CA. © 2026 The Goodyear Tire & Rubber Company. This or any footwear cannot completely eliminate the risk of slipping.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

In 2025, we worked with third-party consultants to complete an in-depth evaluation of our climate-related risks, including both physical and transition risks, following the risk terminology of the Intergovernmental Panel on Climate Change (IPCC). This assessment included a qualitative scenario analysis of physical risks (both chronic and acute) for our global sites, franchises, and Tier 1 suppliers, and transition risks and opportunities based on our supply chain, products, and markets. The scenario analysis was done based on two scenarios (high and low warming, aligned with the TCFD framework) and three time horizons. Following this, a quantitative financial exposure analysis was done for risks and opportunities we identified as high priority.

Scenarios used:

- **High warming scenario:** +4°C of warming by 2050 based on the IPCC's SSP5-8.5 scenario. The SSP 8.5 scenario represents the most "extreme" scenario from a physical climate change perspective, assuming a future where almost no mitigation action is taken. Emissions continue to rise at the current rate, and the global mean temperature will increase by 4°C by the end of the century relative to the pre-industrial period. Under this scenario, significant changes in the frequency and intensity of acute and chronic physical risks already occur by mid-century.
- **Low warming scenario:** +1.5°C of warming by 2050 based on the International Energy Agency (IEA) Net Zero by 2050 scenario (NZE) where possible. For insufficient sources or data, our consultants used a 1.72°C/2°C pathway (e.g., IEA Stated Policies Scenario (STEPS)). This rapid transition scenario represents a low-carbon outlook where the private sector transitions to a low-carbon economy. In this environment, companies navigate new legal and policy, market, technology and reputation risks and opportunities and assess the change and impact of transition risks and opportunities.

We used three time horizons to assess our climate-related risks and opportunities:

- **Short term:** 1 year up to 2026 for physical risk; 1–2 years up to 2027 for transition risk
- **Medium term:** 3–5 years up to 2030
- **Long term:** 6–25 years up to 2050

IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

Climate-related risks and opportunities have the potential to disrupt our operations, products and services, and broader value chain, which may impact business continuity. To evaluate our exposure to these risks, the impact on our business was defined by actual or potential disruptions to critical operations or sites including the ability to produce, ship, store, or sell products or the potential to affect workforce availability. We assessed the criticality of operations by considering business inputs such as sales, shipment volume, inventory capacity and production, together with internal financial materiality thresholds, to estimate potential exposure.

The following were identified with a specific focus on the impact on each of 1) our owned operations (retail, offices, and distribution centers), 2) franchise locations, and 3) Tier 1 suppliers, as the highest-rated risks potentially arising from each time horizon under a high-warming scenario.

PHYSICAL RISK	POTENTIAL IMPACT
Heavy rain	Heavy rain is assessed as a high to very high risk across Skechers' retail, distribution, franchise, and Tier 1 factory operations from baseline through to 2050. Financial exposure is considered high across site types, reflecting possible impacts on sales, shipments, production, and franchise operations.
Heatwaves	Heatwaves are a high to very high risk across several Skechers site types, with greatest exposure in North America, Southeast Asia, and EMEA. Financial exposure is considered high, reflecting impacts on operations and supply chain reliability from power disruptions, transport delays, and partner factory slowdowns.
Heat stress	Heat stress is a high to very high risk across multiple site types, with exposure rising through 2050. Risk is greatest in APAC, affecting all Tier 1 sites and franchises, while our own operations in EMEA face lower exposure. Financial exposure is considered high, reflecting impacts on Skechers productivity and operations.
Windstorms	Windstorms are a steadily high risk across all regions from baseline through 2050. Hotspots include EMEA distribution centers, where our own operations face the greatest impacts. Financial exposure is considered high, reflecting vulnerabilities in operations and supply continuity.
Drought	Drought is a moderate hazard across most regions but rises to very high risk for Tier 1 factories in AMER and high risk for EMEA franchises. Financial exposure is considered moderate to high, reflecting risks to operations.
Water scarcity	Water scarcity is a moderate to high risk across all regions from baseline through 2050 for our own operations and franchises but only moderate for Tier 1 factories. Financial exposure is considered moderate to high, reflecting the impact on operations and supply chain, such as retail and manufacturing.

IMPACT OF TRANSITION RISKS AND OPPORTUNITIES

Skechers assessed a long list of transition risks and opportunities associated with our full value chain across the TCFD categories, under the low warming scenario (1.5°C) which reflects the most aggressive transition to a low-carbon economy. The scenario analysis prioritized transition risks and opportunities based on exposure and vulnerability, as defined by the IPCC. The following were identified as priority transition risks and opportunities for our business, and the table below showcases the potential impact for each one.

TRANSITION RISK OR OPPORTUNITY	POTENTIAL IMPACT
Market Risk: Increased cost of materials	Increased material costs are identified as a risk across all time horizons, reflected in consistently high ratings due to virgin plastic fees and competition for recycled inputs. Skechers' limited use of recycled materials increases reliance on virgin inputs, with financial exposure considered high for both virgin and recycled materials.
Market Risk: Stigmatization / decreased demand for Skechers products	Decreased demand for Skechers core products is assessed as a medium- to long-term risk, with ratings rising over time as resale and durability markets expand in high-income regions. Associated reputational exposure contributes to high financial exposure.
Products/Services Opportunity: Increased demand for sustainable Skechers products	Increased demand for sustainable products is identified as a medium-term opportunity, supported by regulatory and consumer pressure in the Americas and Europe, with interest also emerging in APAC. This trend may create opportunities for Skechers to expand sustainable product offerings, with high financial exposure.

In order to manage climate-related risks identified in our assessments, we also conducted a further assessment of financial exposure and resilience for high-priority risks. This assessment allowed us to focus on the highest priorities for risk management and identify gaps in our current mitigating actions and resiliency. To understand our financial exposure to physical risks, we assessed metrics such as sales, shipment volume, inventory capacity and production for our various site types. The combined impact of physical risks in a given region was assessed for each site type and potential financial exposure to those risks was evaluated collectively. This collective evaluation reflects the reality that physical risks are not independent of each other in a high-warming scenario and therefore financial exposure to the risks should be assessed at a regional level. Transition risks and opportunities were considered at a global level, given that the nature of the impacts across our business are not anticipated to be specific to one region.

Our processes for responding to climate-related risks overlaps significantly with our approach to business continuity and ensuring resiliency of our supply chain. Our supply chain continuity plans help ensure minimal disruptions to our supply chain, including impacts resulting from climate change. This includes actions such as supplier diversification, use of backup power systems, order allocation methods, criteria used for site identification, and our inventory management approach. We will continue to work with our third-party consultants to continuously monitor and respond to policy and regulatory requirements related to climate.

GREENHOUSE GAS EMISSIONS

In 2025, we calculated our full Scope 1, 2 and 3 greenhouse gas (GHG) emissions. We continued to work with independent third-party consultants to support with preparing our data for calculations and implemented a carbon management and accounting platform to improve data collection and assurance-readiness. Scope 1 and 2 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 loss for all physical locations, and mobile combustions from owned and leased vehicles. Emissions were calculated from a mix of primary and secondary data. Scope 3 emissions are reported for all twelve material categories, as per the GHG Protocol.

Since our last report in 2024, we have been working to provide a full GHG inventory for the first time. Our first step was to calculate our full Scope 3 inventory for 2024. This footprint was developed with the support of external consultants, who applied their established methodologies and emission factors to quantify our Scope 1, 2 and 3 emissions.

For 2025, we furthered our approach by implementing a carbon accounting software platform to enhance our data management for future audit readiness. Throughout 2025, we have improved primary data collection and determined the best methodology for each GHG category that can be implemented in a repeatable manner in our new software solution.

As a result of this transition, the 2024 and 2025 emissions data is not directly comparable as they were developed using different methodologies, estimation techniques, and emission factors. We are intending to use the 2025 methodology for all calculations moving forward as it is the first year we have used the carbon-accounting platform to perform our calculations. For the purposes of transparency we are choosing to share our 2024 emissions data, but expect more consistency and comparability in our 2026 calculations.

$MTCO_2e$	2024	2025	% CHANGE YOY
Scope 1	15,617	17,653	13%
Scope 2 (Market-Based)	75,044	79,966	7%
Scope 3	2,002,898	2,178,463	9%
Total Scope 1, 2 and 3	**2,093,558**	**2,276,082**	**9%**

ANALYSIS

Each year, Skechers has grown both our sales revenue and number of sites significantly, which are the key drivers of the increase in our emissions. Our Scope 1 and Scope 2 greenhouse gas emissions increased by ~7% from 2024 to 2025, similar to the ~8% increase in sites in 2025 vs 2024. Our emissions footprint reflects our business model, which involves a large retail and distribution presence. The majority of our Scope 1 and 2 emissions (~74% in 2025) are derived from our retail operations, and the increases year over year are largely attributable to the increase in retail sites.

Our 9% increase in Scope 3 emissions from 2024 to 2025 is driven primarily by methodology changes. However, there are some changes to activity data driving several Scope 3 categories based on our sales volume. Our increased sales and weight of products shipped, aligned to the ~7% increase in sales in 2025 compared to 2024. These changes are driving increases in emissions related to manufacturing and transportation of our products (Category 1, 4, and 9) and associated byproducts (Category 5 and 12).

SCOPE 1 AND 2 EMISSIONS

In 2025, we calculated our Scope 1 and 2 emissions which include emissions from all sites and vehicles under our operational control. This includes emissions from electricity, natural gas, steam and any other fuels used for heating and cooling, refrigerants, and vehicles.

$MTCO_2e$	2021 (SCOPE 1 AND 2 BASELINE YEAR)	2024	2025
Scope 1	15,925	15,617	17,653
Scope 2 (Market-Based)	63,618	75,044	79,966
Scope 2 (Location-Based)	62,896	72,523	74,121
Total Scope 1 and 2 (Market-Based)	79,543	90,661	97,619

SCOPE 3 EMISSIONS

In 2025, we expanded Scope 3 calculation efforts by calculating our full Scope 3 emissions for the first time for both 2024 and 2025. Though we utilize spend-based data as needed, a concerted effort was made to utilize activity-based data when available. These calculations have been conducted by leveraging a combination of spend data and primary activity data and building upon the progress we made in previous years.

SCOPE 3 CATEGORY	2025 ($MTCO_2e$)
Category 1: Purchased Goods and Services	1,280,220
Category 2: Capital Goods	68,310
Category 3: Fuel- and Energy-Related Activities (FERA)	25,387
Category 4: Upstream Transportation and Distribution	142,139
Category 5: Waste Generated in Operations	65,496
Category 6: Business Travel	25,226
Category 7: Employee Commuting	35,590
Category 9: Downstream Transportation and Distribution	51,084
Category 12: End-of-Life Treatment of Sold Products	160,310
Category 13: Downstream Leased Assets	237
Category 14: Franchises	138,824
Category 15: Investments	185,639

METHODOLOGY

In 2025, we used a carbon-accounting platform to calculate our emissions for the first time. This transition to a software-based system reflects an update to our methodologies for several categories that will be consistently used from 2025 onward for our annual calculations. All emissions presented in this report (2024 and 2025) were calculated using methodologies consistent with the GHG Protocol Corporate Accounting and Reporting Standard. Our disclosure includes both market- and location-based methodologies as defined by the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD).

We use an operational boundary, aligned with the GHG Protocol, which includes all company-owned, company-leased, and joint venture (JV) owned sites in Scope 1 and 2. All company-, JV- and distributor-licensed and distributor-owned sites are calculated as part of our franchise emissions in Category 14 of our Scope 3 emissions.

Our Scope 1 emissions include stationary combustion, fugitive emissions, and any relevant mobile combustion of all sites and vehicles under our operational control. If estimates are needed, the LBL Building Performance Database (BPD) is used to estimate consumption of fuel by building area and fugitive emissions are estimated using EPA HFC accounting tool and multiplied by their 100-year GWP from IPCC. Scope 1 emissions factors are sourced from US EPA, DEFRA, and ecoinvent.

Our Scope 2 emissions include electricity consumption of all sites defined as under our operational control. Electricity consumption estimates are based on site area as estimated by the BPD. For location-based electricity EFs we use the following sources: eGRID for the US, Canada National Inventory Report (1998–2020) for Canada, IEA 2022 for all other countries, and ecoinvent 3.9.1. for each country where the grid data is not available from the aforementioned sources. For market-based electricity EFs we use the following sources: Green-e residual EFs for the US grids, European Residual Mixes with CH_4 and N_2O emissions added from DEFRA for EU-based grids.

For Scope 3 emissions, whenever spend is used, emissions factors were sourced from Watershed's CEDA database and inflation is accounted for using the industry-level price index data (2012–2021 and 2022) published by the U.S. Bureau of Economic Analysis for sector-specific values. For our product and packaging emissions, we use BOMs to break down each SKU into individual inputs and calculate emissions based on total weight per material. For Category 3 FERA emissions, eGRID and ecoinvent are used to estimate regional grid loss rates, and DEFRA EFs are used for WTT emissions. Transportation and distribution emissions are based on delivery distance, weight, and mode of transport using EPA and DEFRA emissions factors. Waste is calculated based on primary data from retail and DC haul reports, and extrapolated for sites with no data as needed and per-employee waste calculations for office waste are based on CalRecycle benchmarks. DEFRA and US EPA emissions factors are used for waste emissions. DEFRA is used for business travel emissions calculations. Employee commuting estimates utilize location-specific data on commuting methods and distances published by governments including US Census Bureau for US states, Eurostat for select EU cities and emissions factors from the EPA EF hub. Estimates for remote workers, upstream- and downstream-leased assets and franchises are based on BPD benchmarks and emissions factors are the same as for Scope 1 and 2, using market-based emissions factors as a default. End-of-life treatment emissions factors are selected from the UK government greenhouse gas reporting conversion factors database and applied to relevant product and packaging materials by weight as determined for Category 1.

For 2024, emissions factors and estimates were based on sources used by our third-party sustainability consultants. Many of these are no longer used now that we have switched to our carbon accounting platform starting with 2025. 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, Ministerio para la Transición Ecológica y el Reto Demográfico (MITECO) for Spain, and various country-specific EF databases. For the market-based calculations, the residual method was used.

In our 2024 Impact Report, we reported Scope 1 and 2 emissions using estimations for September through December 2024 where actual usage data was not yet available. In this report, the 2024 Scope 1 and 2 calculations have been updated to incorporate actual usage data where available.

DATA LIMITATIONS

We collect primary data when possible, primarily for electricity, mobile combustion and stationary combustion as fugitive emissions primary data availability is limited. 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 or no primary data in 2025, estimates were based on site area using the methodology described above. In 2024, we used extrapolation based on prior months and intensity factors calculated from similar 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 2025, 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. For Scope 3 data, where primary activity data was not available, we utilized spend data and spend-based emissions factors.

EMISSIONS REDUCTION EFFORTS

Our emissions reduction efforts have started with our distribution centers, which have the largest per-site footprint of any site type. Across four of our largest distribution centers and our corporate sites, over 6,000 MWh of electricity was consumed directly from the roof-mounted solar panels. Nearly the same amount (~5,000 MWh) of electricity generated by these sites was contributed back to the grid. The ability of our sites to utilize energy generated from solar panels depends on factors like time of day, time of year, and energy demand in a given month. In 2025 we completed the newest installment of solar panels at our DC in India, which contributed an average of 30% of our electricity needs from the time of installment to the end of the year.

NEXT STEPS

After spending the last few years working on improvements to data and systems, this is the first report of our complete Scope 1, 2 and 3 emissions for both 2024 and 2025. We plan to continue improving our data collection practices in preparation for future GHG inventories.

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.

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.

Updates to our SRSL typically occur once a year; the most recent update to the SRSL occurred in November 2025. To ensure compliance, all Tier 1 suppliers, licensees 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. Documentation is also provided to all active material suppliers to outline the requirements of 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. If 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 SRSL in order to be an approved supplier.
New materials are required to pass SRSL 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 SRSL as part of our new material selection and approval process.

SUPPLIER SUPPORT

We host SRSL seminars annually to educate our supply chain on SRSL updates and reasons behind the updates, including risks and hazards associated with each restricted chemical. In 2025, we hosted annual SRSL 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 70% of our Tier 1 factories and 10% of our approved Tier 2 suppliers. Suppliers that do not attend the seminars can inquire about updates to the SRSL by contacting the 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 SRSL, 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

Our materiality assessment identified workers in our value chain as one of the highest priority issues for us to manage from both a financial and an impact perspective. At Skechers, our suppliers are integral partners in delivering our high-quality footwear and apparel 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' noncompliance 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.

We conduct periodic reviews of the Social Compliance Program results with the ESG Committee to focus on continued improvement and oversight. In 2025, we completed implementation of a software solution that has improved our oversight of our social compliance efforts and audit results.

In addition, Skechers partnered with an outside consultancy to comprehensively review our social compliance program. The results of this review identified opportunities to strengthen and improve our social compliance function. As a result, we are making changes to our program throughout 2026 and into 2027, including but not limited to:

- Updating our scoring methodology and audit processes and protocols, including alignment to a third-party audit standard;
- Increasing the percentage of audits conducted by third parties;
- Augmenting our internal training of audit personnel based upon industry standards; and
- Further leveraging technology to improve the oversight and monitoring of audit results and progress against corrective action plans.

The core pillars of our program remain the same, as is our commitment to ensuring supplier adherence to our Supplier Code of Conduct and effective risk management.

SKECHERS SUPPLIER CODE OF CONDUCT

The Skechers Supplier Code of Conduct applies to all facilities that produce goods for Skechers. This code is aligned with core ILO conventions and 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 sets forth 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, recruitment, homework, and the environment.

The application of our Supplier Code of Conduct is managed by our Social Compliance Team. Our team is 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 reports the results of factory audits to our ESG Committee.

SKECHERS SOCIAL COMPLIANCE STANDARD

Skechers' social compliance standards outline the guidelines that the Social Compliance Team follows when auditing our suppliers against our Supplier Code of Conduct. These standards provide the grading criteria for evaluating audit results and associated grading for the audit. The standards also outline 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 standards also outline the potential consequences for a factory that fails to meet the minimum requirements for doing 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 third parties directed by us, or asked to provide a third-party audit to Skechers. Our Supplier Code of Conduct is provided to all Skechers suppliers and made available on our website.

Our Social Compliance Team routinely conducts or directs 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 standards to evaluate factories with a particular focus on zero-tolerance and critical issues. The audit grades are explained on the following page.

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 zero-tolerance infractions at a factory will immediately result in a "Fail" grade due to the failure to meet our minimum social compliance standards and 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.

Critical issues: The presence of critical issues 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 critical issues 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.

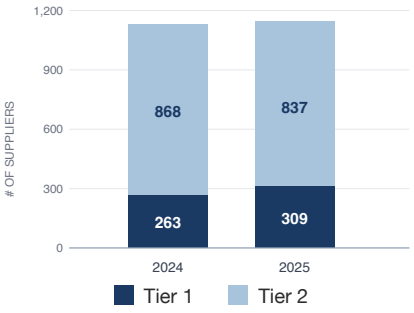
Warnings: The presence of issues that result in warnings at a factory will be incorporated into a corrective action plan issued subsequent to the audit. Factories receiving warnings that result in a C or D grade will be required to be re-audited within two to six months with the timeline based on the severity of the warning, and the factories that receive a D grade are required to execute a commitment letter for improvement. The presence of issues 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

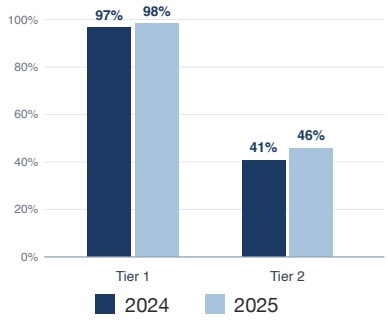
Our audit and compliance activity metrics provide insight into the efforts undertaken by our social compliance program and team in 2024 and 2025. For Tier 1 suppliers not audited by us or at our direction, we required the factory to provide an audit report conducted against a third-party standard. Third-party audit reports are also collected from all factories that have available external audit reports, including those that we audit directly, for our records.

METRIC	2024	2025
# of audits	714	794
% of Tier 1 audited	97%	98%
% of Tier 2 audited	41%	46%
% of total audits conducted by internal auditors	96%	97%
% of total audits conducted by external third-party auditors	4%	3%
# of serious warning letters	44	12
# of new suppliers with failed audits (not approved to do business)	1	2
# of failed audits at existing factories (removed from approved supplier list)	3	1
# of Tier 1 suppliers	263	309
# of Tier 2 suppliers	868	837

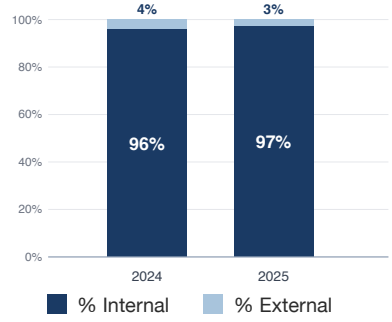
OF SUPPLIERS BY TIER



% OF SUPPLIERS AUDITED TIER 1 VS. TIER 2



% OF AUDITS BY INTERNAL VS. EXTERNAL AUDITORS



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 zero-tolerance issues are identified at a new factory in the initial audit, the factory is immediately failed and is not approved to do business with Skechers.

Audits that were conducted by third-party auditors apply various standards and frameworks including Worldwide Responsible Accredited Production (WRAP), Social & Labor Convergence Program, SMETA, and BSCI. In 2025, we worked with a third party that developed a bespoke training program for our entire social compliance audit team focused both on audit practices and documentation processes, and specific topics from our code of conduct.

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:

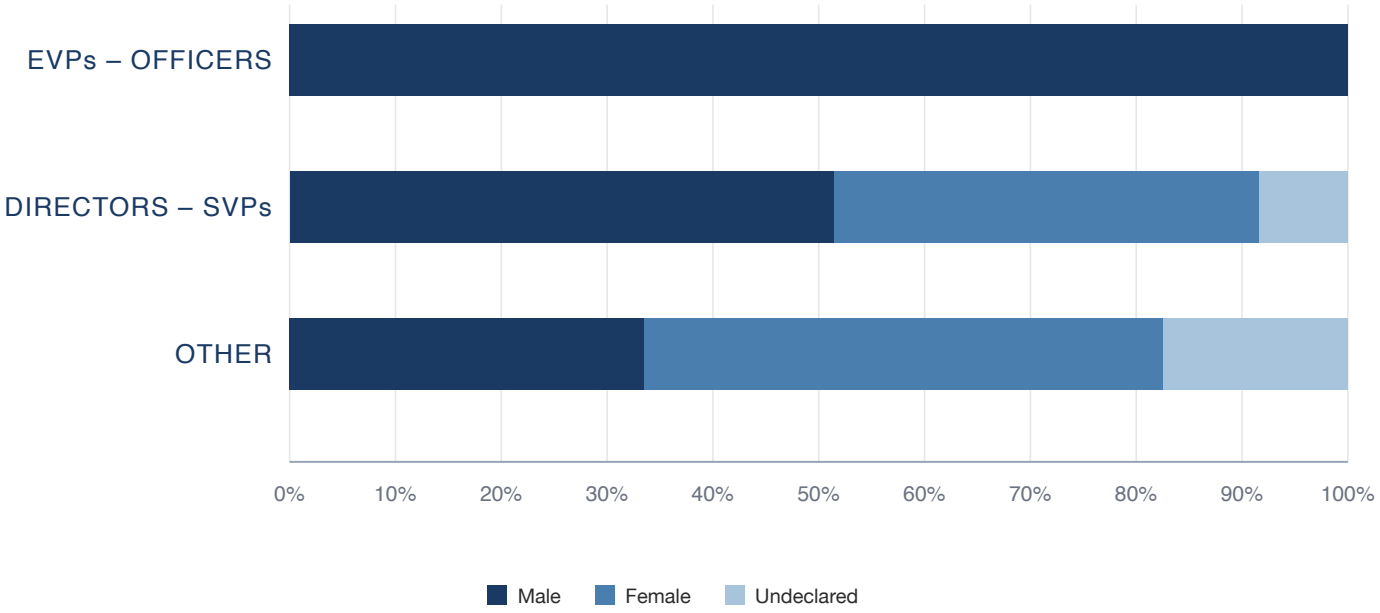
- Attract top talent with different social and ethnic backgrounds and experiences. With a diverse employee base, we seek out varied viewpoints and creative approaches aligned to our consumers, which we believe fuels innovation and relevancy, and makes us stronger as an organization and brand.
- Invest 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 many of our officers have been with the Company since it was established over 30 years ago. Their experience and leadership is key to our success, and each remains actively engaged in our business today.

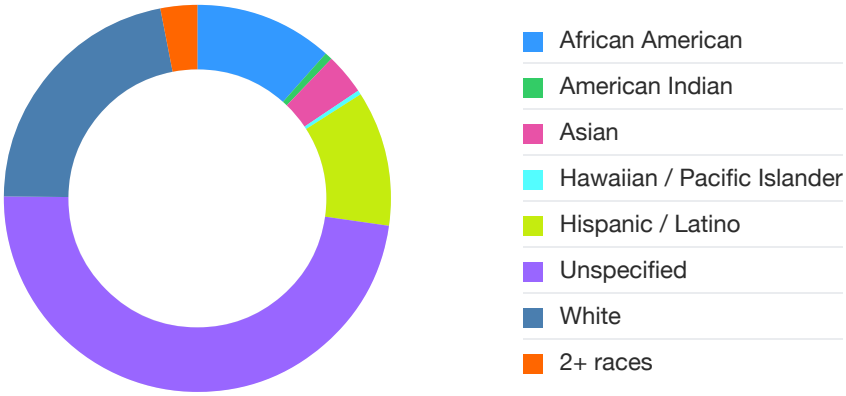
DEMOGRAPHICS

At year-end 2025, our global headcount of full- and part-time company employees was approximately 22,200. Approximately 51% of our employees were based in North America. Further demographic information for our North America employees is found below.

2025 NORTH AMERICA GENDER DISTRIBUTION



RACE / ETHNICITY OF 2025 NEW HIRES IN THE UNITED STATES



ATTRACT TOP TALENT

Skechers is proud to attract and hire professionals who reflect our customers and communities. In 2025, we launched Phenom, an intelligent talent experience platform that supports career site management, improved recruiter operating processes, and CRM management in North America, Europe, and Latin America with plans to expand to Asia in 2026. This strategic investment enhances our ability to attract top talent while streamlining workflows, ultimately reducing the time to hire and improving candidate experiences across our global operations. Phenom demonstrates our commitment to modernizing our talent acquisition strategy and building the infrastructure needed to scale our workforce effectively as we enter new markets and expand existing operations.

As we continue to grow our retail base, we hire sales and product associates to effectively operate our stores. We were able to fully staff all of our new locations in 2025, 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 engage with local colleges and universities across several of our markets including the United States, India and Italy. 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 – 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. This demonstrates Skechers' dedication to creating a workplace environment that not only drives business performance but also prioritizes individual employee development.

We also 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, childcare subsidies, parental leave (eligibility and benefit levels vary by program and location) and tuition reimbursement. In 2025, we offered all Open Enrollment informational materials in the United States in Spanish, ensuring accessibility and inclusion for our Spanish-speaking employees. Additional benefits for certain employees include retirement plans, college saving plans and pensions, depending on location.

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 well-being, we have partnered with key vendors across the globe to provide invaluable support to our team members and their immediate families. In 2025, Skechers launched and expanded mental health platforms, provided access to webinars covering topics ranging from disaster preparedness and mental health management to tax guidance and parenting support, and provided financial wellness webinars.

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. We seek to anticipate organizational needs and provide data-driven and relevant solutions that improve employee experience while advancing our business priorities. Some of our most important initiatives include evolving our performance management approach and investing in learning and development initiatives.

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 2025, we continued to provide a variety of learning and development initiatives.

- **Learning Management System** – Since 2024, we have had a 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.
- **Leadership Foundations Program** – Our Leadership Foundations Program was expanded to include a greater number of retail, corporate and distribution center leaders across North America and Europe in 2025, with plans to continue expansion across Latin America in 2026.
- **Leadership Development Academy** – In 2025, our Leadership Development Academy (LDA) graduated its third cohort. This program 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. In 2026, we plan to further expand the LDA program to Latin America.
- **Team learning series** – In 2025, we launched a participant-led framework that helps teams develop soft skills together without needing external trainers. Team members take turns leading discussions and sharing what they've learned from curated e-learnings, turning individual growth into stronger team performance. Everyone both teaches and learns from each other, creating a collaborative approach to building essential workplace skills. These programs are being utilized currently by our teams in the US and Brazil corporate offices.
- **Performance review training** – In 2025, over 200 managers attended development sessions in Europe, North America and Latin America that equip managers and employees with the essential skills to conduct effective, constructive performance review conversations, driving professional growth and organizational success. Participants learned proven techniques for delivering balanced feedback and navigating conversations with confidence and empathy.
- **Distribution center leadership** – A concentrated seven-month program designed to cultivate well-rounded leaders by focusing on three key areas: behavioral characteristics, attitudes, and attributes essential for effective leadership. In 2025, this training was provided to our North America Distribution Center.
- **Customized solutions** – We continue to provide customized solutions to support specific teams upon request. Examples include workstyle assessments such as DISC, Insights, Core Strengths, StrengthsFinder, Hiring for Success, New Leader Assimilation and others.

- **SkechBook** – Since its launch in 2024, our new retail employee training (SkechBook) has made significant strides in effectively onboarding new teammates. In 2025, we continued the strategic rollout of SkechBook and launched the program in both Europe and the UK. We have also been working to localize the training in Japan, the Philippines and across Latin America and plan to roll out SkechBook in these markets in 2026.
- **SkechBook Pro** – To accompany the success of SkechBook, we have also launched SkechBook Pro. SkechBook Pro is a partner program for new Store Managers that we piloted throughout North America and Europe in 2025, and plan to expand to new markets in 2026.

RETAIN A DEDICATED WORKFORCE



At Skechers, we strive to establish a culture where exceptional performance is recognized and employees thrive. Through strategic partnership, collaboration, and an entrepreneurial spirit, we foster a workplace where all employees feel safe, valued, and appreciated. In 2025, we continued evolving with the goal of streamlining information, communication, and processes for a shared employee experience at Skechers.

Having a global compliance line helps create a great work culture by fostering an environment of trust, transparency, and accountability where employees feel safe to voice concerns and report issues without fear of retaliation. This open communication channel demonstrates the organization's commitment to ethical practices and employee well-being, empowering team members to uphold shared values and maintain the integrity that forms the foundation of a positive, respectful workplace. In 2025, we launched SkechConnect, which allows all global employees to report any concerns easily by phone, website or mobile device. Communication channels are in local languages which helps ensure that all Skechers employees around the globe are heard. SkechConnect has enabled faster response times to workplace issues and allows us to have a more streamlined case management process to address all workplace concerns appropriately. Our new centralized approach allows us to continue building trust in our reporting mechanisms, and to more efficiently foster a respectful and inclusive work environment where all team members feel empowered to speak up. As a result of these efforts, we can now better identify themes for improving our employee experience across the globe, supporting our broader organizational goals of respect, integrity and accountability.

We also bring teams together at the regional, national, and international level so that they can learn, celebrate successes, and stay connected to our mission. We are proud to recognize employees through our service anniversary program, which celebrates and thanks employees for their commitment and dedication.

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. Our 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 footwear, apparel and accessory collection that was established in 2011 to provide footwear to children impacted by natural disasters and economic challenges—initially donating product through consumer 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 new 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. In 2025, Skechers contributed a flat donation of $550,000 to animal welfare partners in the United States and $50,000 to partners in Canada. Also in 2025, we donated 25 pence per item sold to Wood Green Animal Shelters in the UK and 30 yen per pair sold to ALMA in Japan. In total, we have donated more than $1 million USD over the year. Our cumulative contributions from 2015 through the end of 2025 total more than $14 million USD—funds that have helped provide lifesaving adoptions and healthcare services for more than 2.4 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 2025, our contribution to Petco Love supported its extensive animal welfare network across the United States and Canada, including the following organizations:

- Anderson Humane
- Animal Place
- Animal Protective League
- Animal Rescue League of Iowa
- Better Together Dog Rescue
- Cat Adoption Team
- CAWS
- Claiborne Animal Shelter
- Changing Tomorrow Animal Rescue
- Cincinnati Animal Care Humane Society
- Dallas Pets Alive
- Freedom Street Rescue
- Full Circle Cats
- Humane Society of Tacoma & Pierce County
- LA Animal Services
- Lovejoy Foundation
- Maricopa County Animal Care & Control
- MSPCA – Angell
- Pawsitive Tails
- PAWS Atlanta
- Paw Works
- Pioneer Humane Society (PAWS)
- Rancho Coastal Humane Society
- SNARF
- Soul Dog Rescue
- SPCA Florida
- Stealing Hearts Rescue
- Sweet Paws Rescue, Inc.
- TTFAR
- Whiskers TNR of Warren County

In addition, we also supported the Petco Love Pet Adoption Block Party, a mega adoption event in New York; Skechers store adoption events in California, Washington and Ohio; and the following adoption events in California:

- Goldie Palooza
- Fix'n Fidos Golf Tournament
- Putts for Mutts Golf Tournament
- Wiggle Waggle Walk & Run

HUMANITARIAN EFFORTS

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 and events such as the Skechers Pier to Pier Friendship Walk, 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.

CHARITABLE DONATIONS

In 2025, Skechers donated more than $240,000 to our Skechers ambassadors' charitable foundations, including the Harry Kane Foundation, CT3 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 round up their purchases in support of a wide range of causes. In 2025, our in-store fundraising surpassed $1,065,000 for Adopt-A-Classroom, American Nurses Foundation, Petco Love, the Oceanographic Teaching Stations, Inc. for the Roundhouse Aquarium, and Skechers Pier to Pier Friendship Walk, as well as the Skechers Foundation to support children with special needs, national college scholarships and public education.



Image courtesy of Alexandra Sapp





Image courtesy of Alexis Dog Haus Photography



Image courtesy of Star Spencer High School

SKECHERS FOUNDATION

Established in 2010 to help children in need and provide financial support for public education, 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. The 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 of people through donations, the Skechers Foundation aspires to create stronger, more self-sufficient individuals for future generations. In 2025, the Skechers Foundation distributed over $5 million to more than 80 local and national charitable organizations. These donations support various causes including education, animal welfare, health, cancer research, and wildfire relief.







Image Courtesy of Ken Pagliaro

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 special needs and education. In 2025, the annual 3.5-mile walk mobilized walkers, sponsors and shoppers at Skechers register-round up events, donating approximately $2.9 million for children with varying abilities and public school foundations.

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's national college scholarship program was established in 2017 to provide scholarship funds to students attending postsecondary school based on their financial need, academic performance, athletic abilities and leadership qualities. In 2025, we distributed nearly $400,000 in scholarships.

SASB TABLES

SASB TABLE 1 · SUSTAINABILITY DISCLOSURE TOPICS AND ACCOUNTING METRICS

TOPIC	SASB METRIC	REPORT REFERENCE	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	1. 98% of Tier 1 audited in 2025 2. 46% of Tier 2 audited in 2025 3. 3% of all audit reports received by Skechers conducted by third-party auditors in 2025 For more information, see "Our Partners Matter" section.	CG-AA-430b.1
	Priority nonconformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Our Partners Matter	In 2025, two new suppliers were rejected based on fail grades at the initial audit. One existing supplier failed an audit and was removed from the supplier list. For more information, see "Our Partners Matter" section.	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	309 Tier 1 suppliers in 2025 837 Tier 2 suppliers in 2025	CG-AA-000.A

ABOUT THIS REPORT

This is our fourth 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 2025, including ongoing stakeholder engagement, data collection, GHG emissions calculations and preparation for incoming regulatory requirements. We also utilized Watershed to calculate our GHG emissions. Our Impact Report contains quantitative metrics from 2025 where data is readily 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.

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).