



FIFAA Group

Sustainability
report

2024

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FOREWORD

At FIFAA, we believe that long-term success is inseparable from our responsibility to the environment, our people, and the communities we serve. This sustainability (ESG) report reflects our ongoing commitment to transparency, sustainability, and ethical governance. Over the past year, we've taken meaningful steps to reduce our environmental footprint, foster a more inclusive workplace, and strengthen our corporate governance practices. We have invested in sustainable technologies in our production facilities and increased share of sustainable products in our portfolio.

We recognize that ESG is not just a framework — it's a mindset that shapes how we innovate, grow, and lead. As we look ahead, we remain dedicated to integrating ESG principles into every aspect of our strategy and operations. I am proud of the progress we've made and even more excited about the journey ahead.

Thank you for joining us in building a more sustainable and equitable future.

Karel Loide
CEO of FIFAA Group



FIFAA Group sustainability strategy

FIFAA Group sustainability strategy is fully aligned with the company's core values ensuring that sustainability is an integral part of its long-term vision.

- The environment is important to us, and that's why we are always looking for ways to become more sustainable over time and to promote a green mindset both within our company and beyond.
- Sustainability is our responsibility, and for this reason, we contribute to the development, health, and well-being of our community.
- We are a team with bold ideas who aren't afraid to think big. We value the principle of equal treatment for all — our employees, partners, and customers alike.

ABOUT THE REPORT

FIFAA Group published voluntary sustainability reports for 2021 and 2023, both prepared in accordance with Global Reporting Initiative (GRI) requirements. You may review these reports¹ to get a comprehensive overview of our sustainability approach and activities in previous years.

The 2024 sustainability report has been compiled following the **EFRAG voluntary sustainability reporting standard for non-listed micro-, small- and medium-sized undertakings** (VSME standard)². As a result, it is more concise, focuses on required datapoints and facts, and does not provide detailed descriptions of every sustainability activity undertaken by the company.

The FIFAA Group is not required to publish a mandatory sustainability report, we do so on a **voluntary basis**. The report has not been independently verified and audited, but KPMG Baltics has provided advice to ensure the report's compliance with the standard. Scope 2 greenhouse gas (GHG) emissions have been calculated by Nomine Consult.

We recognize that our greatest environmental and social impacts stem from the use of resources, production processes, and distribution of the products in our global value chain. Nevertheless, this **report focuses on our own operations and activities** where we have the ability to make an impact ourselves.

The report's target audience includes our partners, employees, and the public (clients and customers).

¹See [FIFAA webpage](#).

²FIFAA Group is a medium-size company. [SME definition](#).

KEY ACHIEVEMENTS IN 2024



Investments have been made in **sustainable technologies** to enhance energy efficiency and to ensure a safer and more comfortable working environment. Notable examples include the acquisition of a GOTS-certified Direct-to-Film (DTF) printer and the installation of a modern heating and cooling system at FIFAA's Tallinn office.

In 2024, FIFAA AS achieved the **silver level in the Sustainability Enterprise Index**³ for its sustainability efforts. It has been a privilege and an honour for us to be among the most sustainability-minded companies in Estonia. The assessment has provided us with assurance that we are on the right path in our sustainability journey, while also offering valuable ideas for further improvement. Next time – Gold!



Within our business gift unit, we have **expanded the selection of core warehouse products** (blank “never-ending products”⁴) that hold independent third-party **sustainability certifications**, such as GOTS and OEKO-TEX® Standard 100. These certified products represent approximately **one-third** of our total offering, with an even higher share in some categories, including T-shirts, sweatshirts and hoodies (e.g. brands like Stanley/Stella, Russell)

Our **pop-up T-shirt stores** have won people's hearts at sporting events, concerts, and corporate gatherings. They offer a rare opportunity for anyone to have, for example, a personalized national basketball team jersey made on the spot — making fans **feel like part of their team and community and creating positive experiences**. This also highlights the importance of developing new products and services that are more personal and accessible. In 2024, we organized such pop-up shops on approx. 10 occasions, including for the European Disc Golf Festival, at national football and basketball team matches in Estonia, OlyBet Kings of Tallinn Poker Festival.



³ [Estonian Responsible Business Index](#)

⁴ Products always in stock to enable a quick response to orders.

GENERAL INFORMATION

B1 – Basis for preparation

Reporting period is 1 January – 31 December 2024.

FIFAA Group sustainability report is based on the **basic and comprehensive modules** of the voluntary standard for non-listed micro-, small- and medium-sized undertakings (VSME) by EFRAG. In addition, some data has been used that was collected in accordance with the ESRS sustainability reporting standard prior to the proposed simplifications and postponements of the standard.⁵

Basic module (B1–B11) contains basic information and key figures that provide an overview of our company's sustainability performance. Comprehensive module (C1–C9) provides optional information on undertaking's activities.

⁵ European Commission. [Corporate sustainability reporting](#).

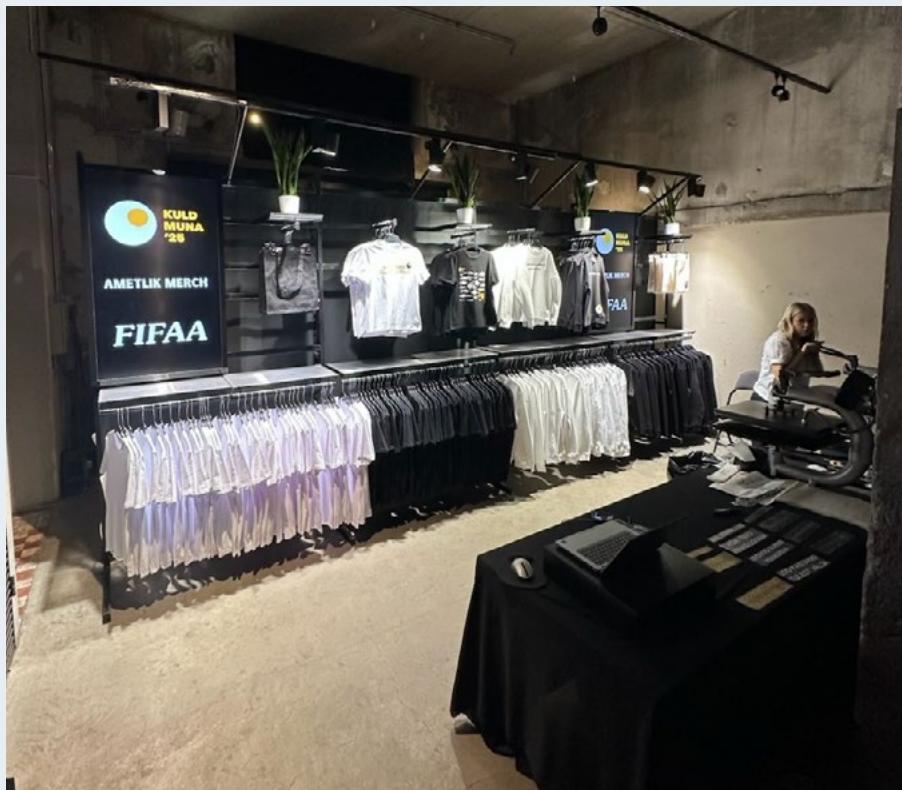
LOCATIONS

FIFAA Group subsidiaries

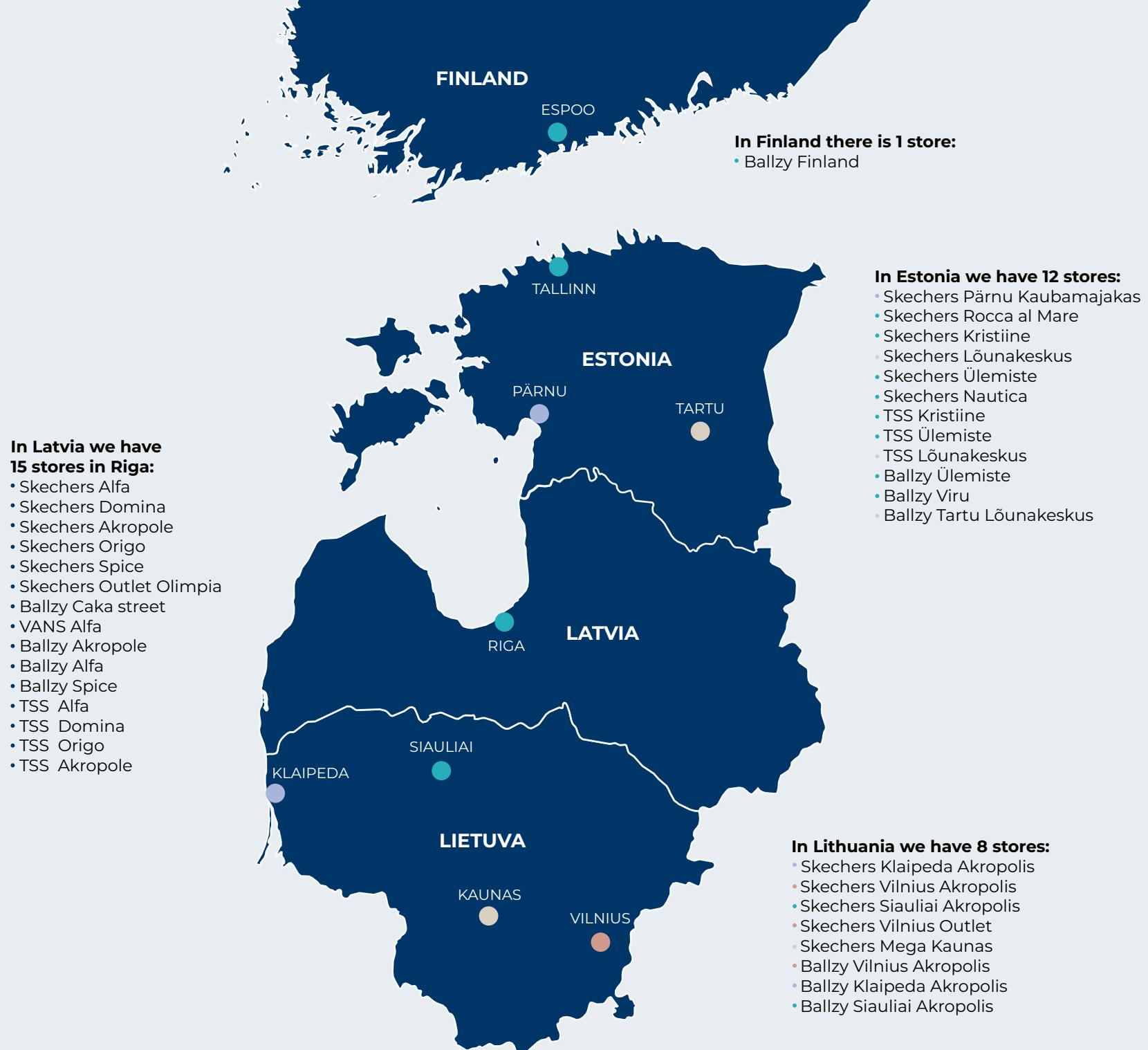
Company name	Address
FIFAA AS*	Pärnu mnt 144, Tallinn, ESTONIA
Marsten Marketing AS*	Pärnu mnt 144, Tallinn, ESTONIA
Streetbrand OÜ**	Pärnu mnt 144, Tallinn, ESTONIA
FIFAA Latvia SIA**	Dzirnieku iela 20, Mārupe, Mārupes novads, LATVIA
Ervitex SIA**	Braslas iela 29 – 2, LV-1084, Riga, LATVIA
FIFAA Baltic UAB**	Pärnu mnt 144, Tallinn, ESTONIA
NL Lietuva UAB**	Konstitucijos pr. 23C-501 kab, LT-08105 Vilnius, LITHUANIA
FIFAA Logistics SIA**	Dzirnieku iela 20, Mārupe, Mārupes novads, LATVIA
Streetbrand OY**	Oravannahkantori 3, 02120 Espoo, FINLAND

* Public Limited Company, ** Private Limited Company

In 2024 the company operated in **36 stores** (Ballzy, Skechers, T-shirt STOREs) with total area of 5 218 m² (2023: 5 128 m²) in **the Baltic States and Finland** + on-line stores. In addition, there are offices in all the Baltic States and production and warehouse facilities of business gifts division in Tallinn and Riga. Furthermore, there is a TeamSpirit⁶ concept, which operates only as an on-line store with occasional pop-up stores during local sports and cultural events.



⁶[TeamSpirit website](#)



Key figures of the FIFAA Group

	2024	2023
balance sheet (eur)	14 795 000	14 422 000
turnover (eur)	31 992 000	31 746 000
number of employees (headcount as of December 31)	242	263
number of employees (full-time equivalent as of December 31)	197	229

SUSTAINABILITY RECOGNITIONS

The undertaking has not obtained sustainability related certification or label, but FIFAA AS obtained the **silver level of Sustainability Enterprise Index**⁷, which is a voluntary self-assessment questionnaire reviewed by independent experts, based on international sustainability standards and frameworks (like GRI, ISO 26000, and the UN Global Compact) and issued by Responsible Business Forum.

Also, FIFAA production in Estonia (printing on textile) is considering applying for eco-label certifications (e.g., GOTS, OEKO-TEX) to strengthen its market position.



RESPONSIBLE
BUSINESS INDEX
SILVER LEVEL 2025

⁷ [Estonian Responsible Business Index](#)

C1 – Strategy: business model and sustainability-related initiatives

FIFAA Group operates in retail, wholesale, and textile printing sector.

On the **retail side**, FIFAA Group is present in all major shopping centres across the Baltic States with its fashion and footwear/sneaker stores (see page 9).

Wholesale business remains important within company portfolio. FIFAA has exclusive right of distribution of many global leading fashion brands such as Skechers, Vans, New Era, Dickies, Peak, Spalding, Russel, Fruit of The Loom.

Brands we offer to our various concepts include Nike, Jordan, adidas, New Balance, Puma, Timberland, Carhartt, Champion, Converse, Skechers, Vans, New Era, Dickies, Peak, Spalding, Russell, Fruit of The Loom, etc.

Many of those brands publish comprehensive sustainability reports. See: Nike, adidas, Skechers, Russell.

Our main partners are global brands and their distributors, locally – logistics' partners and shopping centres. Main wholesale customers are different local retailers and various (sports) organisations. Our customers are all the people (individuals, sport clubs, fans etc) interested in sports and active lifestyle.



FRUIT OF THE LOOM.



adidas®

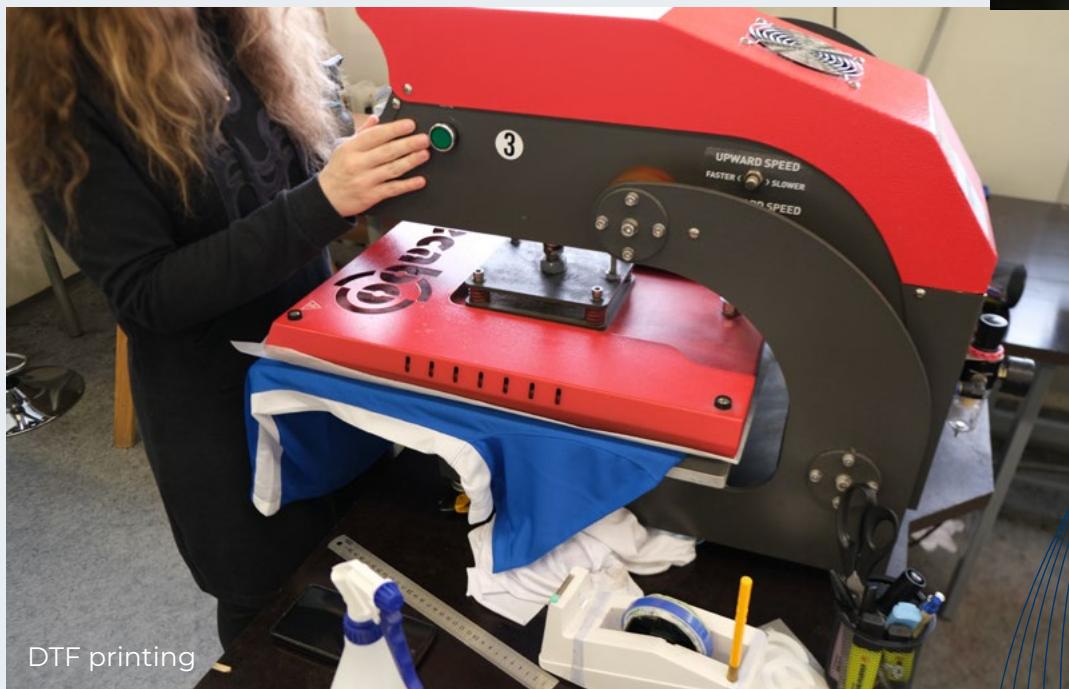


CONVERSE®

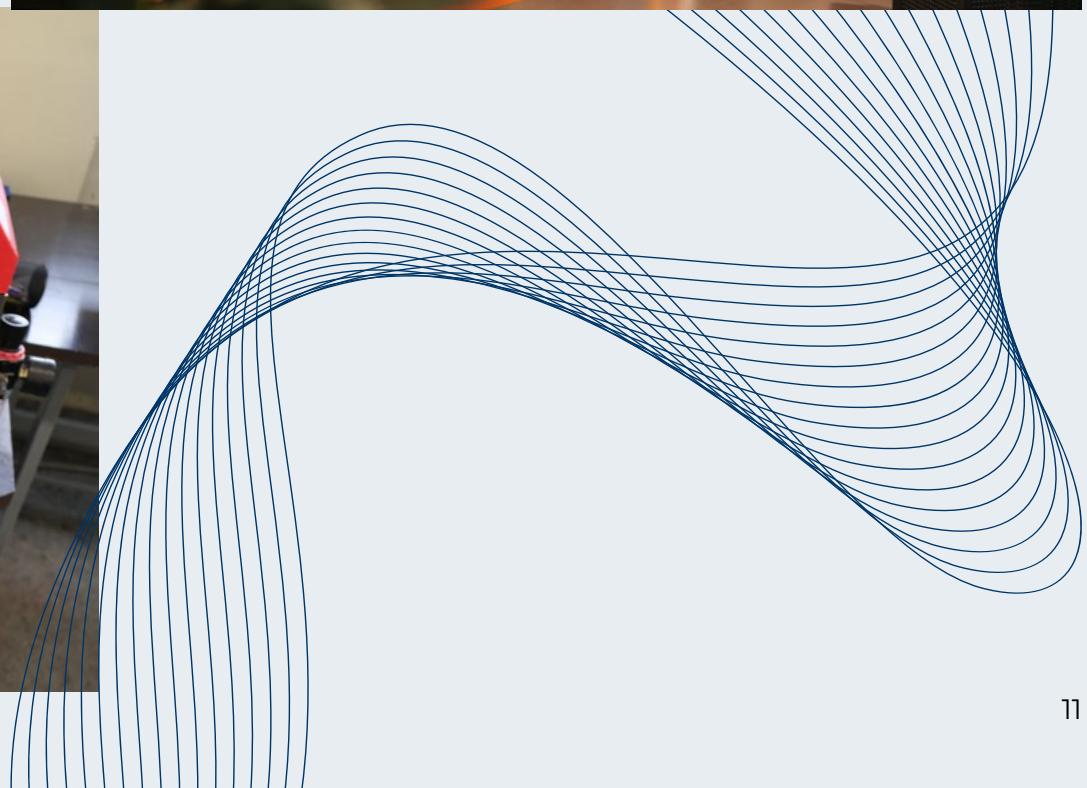
AS FIFAA and its subsidiary SIA Ervitex combined are holding biggest share of the **printing on textile** market in **promo wear and business gifts** business in the Baltics. In our production facilities we offer screen printing, heat transfers (DTF), sublimation and embroidery services. We are offering full service for local companies and sports organisations to handle their webstores and merchandise under their licence.



FIFAA business gifts divisions' showroom in Tallinn



DTF printing



B2, C2 – Practices, policies and future initiatives for transitioning towards a more sustainable economy

In its double materiality assessment⁸, FIFAA has identified the following sustainability issues as important (**material**):

CLIMATE CHANGE



Our biggest share of the environmental impact comes from production and transport of retail goods we distribute and sell. Use of electricity and heat in the shops/warehouses etc, and use of fuel for transport are the main sources of greenhouse gas emissions (GHG) of our own activities. Smaller part of climate impact stems from printing services we provide in Estonia and Latvia.

CIRCULAR ECONOMY



Our products use a lot of resources (both non-renewable and renewable). We have limited options to influence the resource use at the production and design phase or packaging options selected by brands we sell. Our main responsibility related to circular economy is to prolong the lifespan of the products (to sell good quality products), reduce the packaging waste and take responsible actions towards textile/footwear waste.

OWN WORKFORCE



Retail industry is a labour-intensive business which indicates the importance of being responsible, fair and engaging employer. Majority of the workforce are females and young labour market entrants, who are considered to be more vulnerable group of employees.

CONSUMERS AND END-USERS



Consumers and end-users' behaviour and needs directly impact FIFAA's financial, social, and environmental performance. Addressing their needs and being transparent helps FIFAA stay competitive, meet regulatory requirements, and advance its sustainability goals.

AFFECTED COMMUNITIES



FIFAA is committed to contributing to local communities and general public, particularly through our involvement in sports and youth development. In addition, we recognise the importance of cultural preservation of our languages and traditions.

BUSINESS CONDUCT



Ethical and responsible business conduct in all our operations is our core principle. It maintains our reputation and builds trust with our customers, partners, employees, and the public. It also ensures our regulatory compliance and helps to meet stakeholders (e.g financial institutions, global brands) expectations.

FIFAA has practises, policies and future initiatives and targets in place (for material topics) for transitioning towards a more sustainable economy:



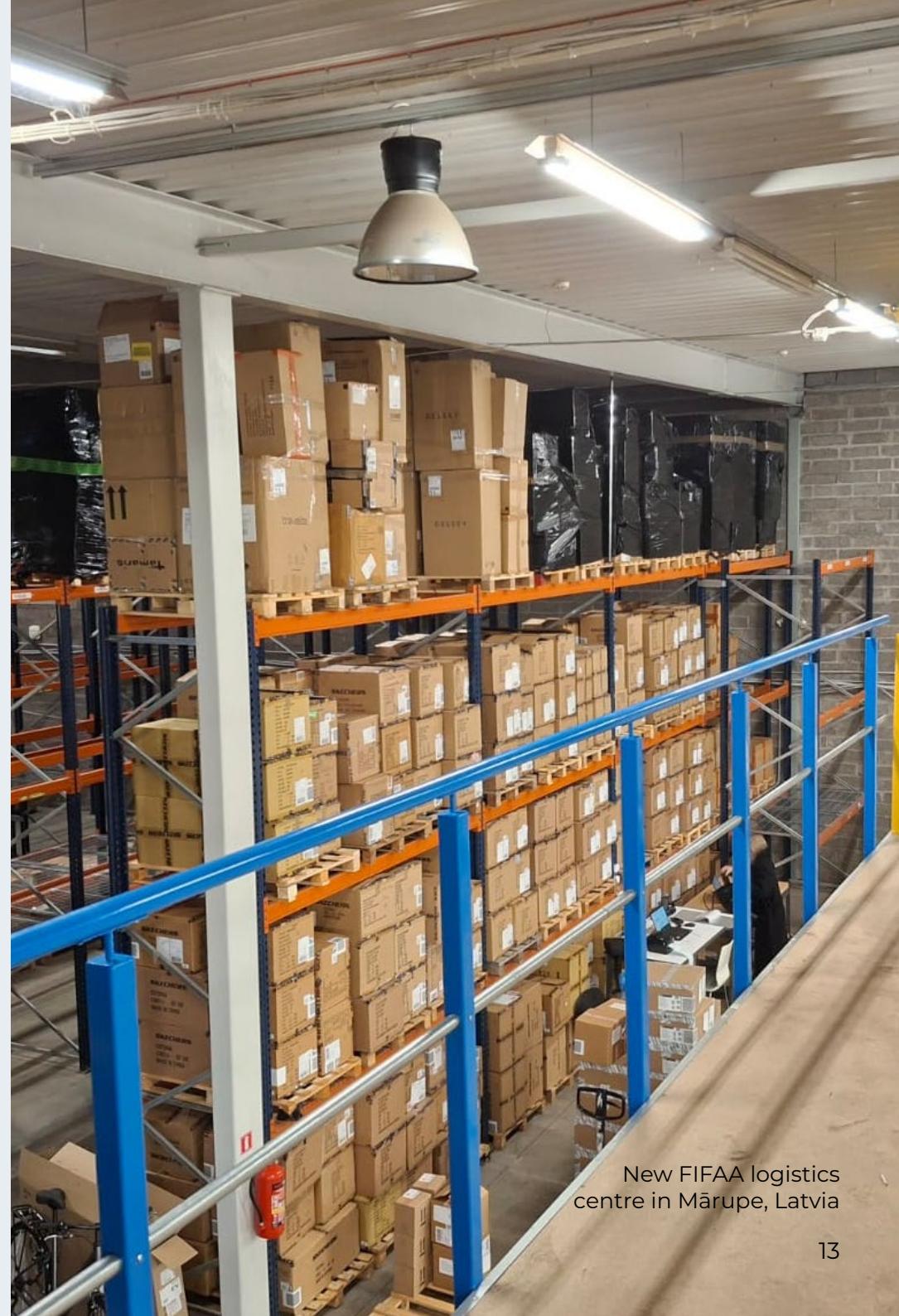
CLIMATE CHANGE

FIFAA calculates its greenhouse gas (GHG) emissions to better understand the impact of its energy and fuel use. While not all GHG categories are currently included, we plan to gradually expand the scope of our calculations over time (see B3 for details). There is also significant potential to improve the quality of emissions data from key partners, such as shopping centres and logistics providers, and we will continue these efforts throughout 2025–2026.

FIFAA's **objective** is to reduce GHG emissions by

- using renewable energy sources
- optimizing logistics and using new technologies, and
- encouraging more sustainable employee behaviour (such as adopting greener commuting solutions and energy-saving practices).

While specific targets have not yet been set — they will be defined in 2025 — we expect to see a year-on-year reduction in GHG emissions.



New FIFAA logistics centre in Mārupe, Latvia



CIRCULAR ECONOMY

FIFAA is committed to reducing packaging waste generated by its operations. For example, we have introduced the use of transport cages to minimize the need for transport packaging. This initiative has significantly reduced the use of paper and cardboard packaging during transportation.

Most of our **objectives** related to packaging and apparel/footwear waste are driven by evolving European Union regulations, which are expected to come into force between 2026 and 2027. We aim to collect and either reuse or recycle our textile products in compliance with legal requirements, targeting approximately 20% by 2030.

By 2026, we plan to implement improved waste sorting systems at both our office and production facilities. In the coming years, we also intend to collect higher quality data on waste generation across our shopping centres, offices, warehouses, and production sites.

In our textile printing operations, we plan to assess compliance with recognized eco-certifications in the textile industry, such as GOTS or OEKO-TEX. Achieving these certifications would demonstrate that we use fewer hazardous chemicals and that our products are environmentally friendly and safe for consumers. A decision regarding certification will be made by the end of 2025, and certification could be obtained as early as 2026 or 2027.



Ballzy collaboration project with Estonian Academy of Art on footwear redesign



OWN WORKFORCE

We prioritise open and transparent communication between management and employees. Therefore, we use daily feedback platform Moticheck⁹. We inspire our employees to have healthy and lifestyle by hosting different sport events and setting up fitness challenges.

Our **objective** is to train and motivate our employees and reduce the employee turnover.

In 2025 our plan is to improve the collection of data on our employee' trainings and motivate people to take care of their health and going for sports. We plan to review the documents/policies related to own workforce and compile a Code of Conduct of the FIFAA Group in 2026.



FIFAA Group Summer Days 2024

in Latvia, nearby Cēsis



The event took place in a natural setting and was organised entirely under the sustainability umbrella, with all activities aligned with environmental responsibility and nature conservation.

The programme included basic scouting skills, wilderness survival training, orienteering, balance and trust-building activities on SUP boards, as well as walking and running. The inspiring coaches brought fresh perspectives on life and motivated participants to explore, appreciate, and learn more about nature.



AFFECTED COMMUNITIES

FIFAA has consistently supported community initiatives by sponsoring local and regional (sport) events, empowering athletes, and investing in youth programmes. These supporting activities range from big events (like Rally Estonia or Eurobasket 2025) to small educational/awareness rising activities.

We continue to contribute to the supporting next generations sporting habits and healthy lifestyle. Our **objective** for 2025 is driving 5% of the population into sports through our initiatives.





CONSUMERS AND END-USERS

FIFAA takes a responsibility on products that we sell to our consumers. FIFAA has adopted the principles of responsible marketing to avoid providing misleading information and irresponsible marketing action.

Though we have a limited impact on our products we sell, we take efforts to provide sustainability information of our producers and products on our websites. We have made a conscious decision to include more sustainable products in our product range for business gifts (e.g, Iqoniq, Stanley/Stella). More sustainable products carry eco-labels (e.g. GOTS, OEKO-TEX), and some products also have a calculated carbon footprint.

These measures help consumers to **make more sustainable choices**. This is a continuous process, and no specific targets are set.





BUSINESS CONDUCT

We follow the ethical and transparency principles in leading our business.

We expect responsible action also from our partners. Therefore, we have formulated **sustainability principles for our partners¹⁰**.

In 2025–2026, we plan to remap our key stakeholders and gather information on their expectations and requirements regarding the company. We also closely monitor regulatory developments and will continue to publish a voluntary sustainability report on an annual basis.

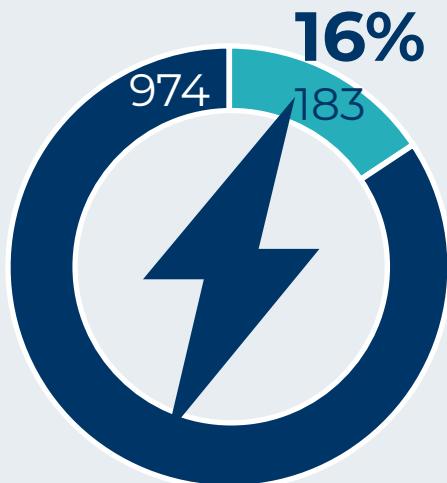
FIFAA has an **ESG Lead** position responsible for coordinating sustainability activities, with actions carried out under the approval of the company's management.

¹⁰ Available at [FIFAA website](#) (in Estonian).

ENVIRONMENTAL METRICS

B3 – Energy and Greenhouse Gas (GHG) emissions

In 2024, **renewable energy sources** accounted for **26%** of the company's total energy consumption.

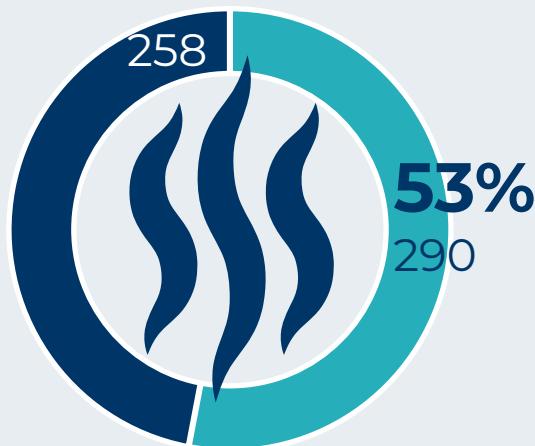


ELECTRICITY CONSUMPTION

Total: 1158

The share of renewable electricity consumed was 16%, mainly due to several large shopping centres that use 100% renewable electricity (such as Ülemiste, Kristiine, and Rocca al Mare in Estonia; Origo in Latvia; and Akropolis and Ogmia in Lithuania).

Energy consumption 2024 (MWh)



HEAT CONSUMPTION^a

Total: 548

The high share of renewable energy in heating – 53% – is primarily driven by the extensive use of biomass in central heating systems across the Baltics.



FUELS (FOR OWN TRANSPORT)

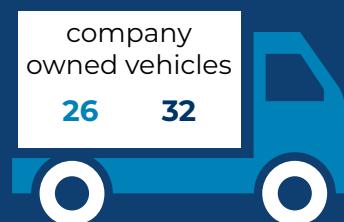
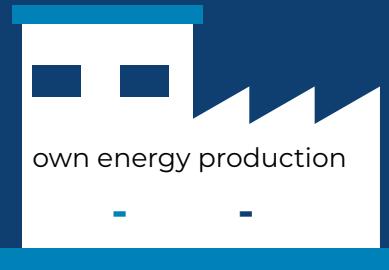
Total: 123

Company-owned transport consumed non-renewable fuel – 7 794 litres of diesel and 4 959 litres of gasoline.

a) Gas, biomass, oil shale, waste incineration, etc. If the location is heated with electricity, it is included under electricity consumption.

Greenhouse Gas (GHG) emissions in 2023 and 2024 (tCO₂e q)

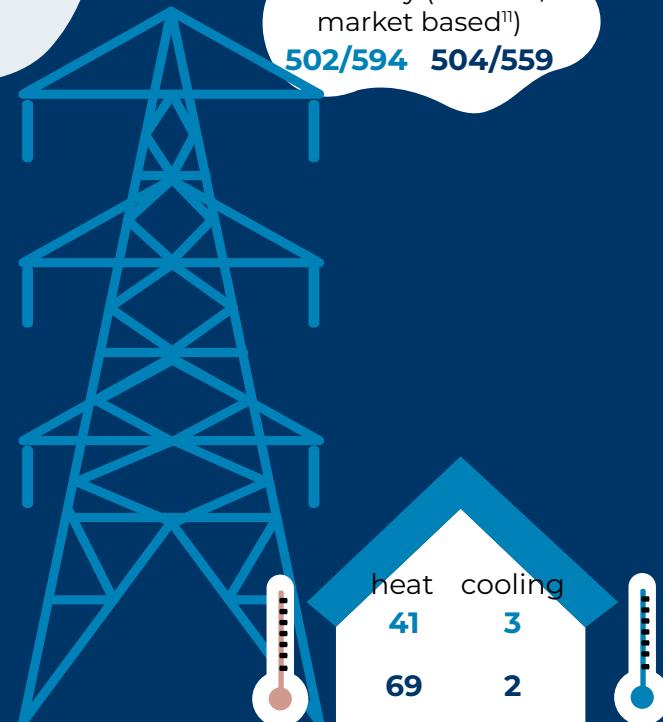
Main GHG emissions are related to energy consumption (shops, production, offices), transportation and employee commuting.



SCOPE 1

direct emissions

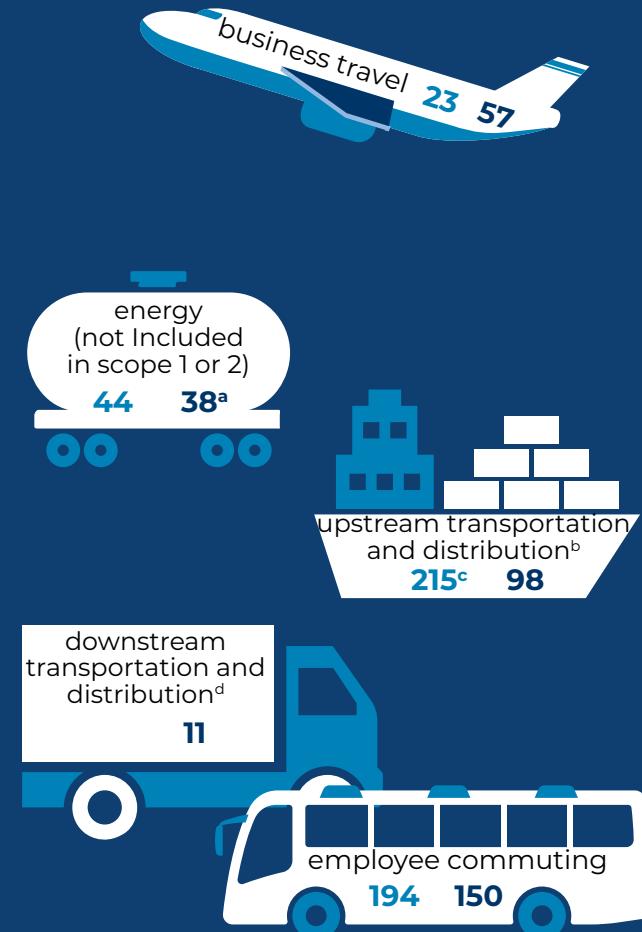
Total: 26, 32



SCOPE 2

indirect emissions (location/market based)

Total: 546/638, 575/630



SCOPE 3

indirect emissions

Total: 476, 354

^a) only indirect emissions from electricity, b) transport from central (European) warehouses to our warehouses and stores. DPD provides both upstream and downstream transportation, but their total GHG emissions are included in upstream transportation, c) upstream and downstream transportation and distribution added up, d) E-commerce (parcel transport to customers).

¹¹ A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (can include energy attribute certificates, direct contracts (e.g renewable), supplier-specific emission rates).

Please note

In calculating the GHG emissions the guidance of Greenhouse Gas Protocol was used, including consultancy by SEI Tallinn. The scope 1 and 3 were calculated by the undertaking, scope 2 was calculated by Nomine Consult. There has been a significant reduction in upstream transport emissions compared to 2023. It can be explained by a decrease in the volume of goods transported (previously, FIFAA's goods were shipped to Estonia for sorting before being sent back to Latvia and Lithuania. Since 2024, however, goods have been distributed directly from the central warehouse in Riga), but there are also significant methodological differences between the GHG calculations compared to previous year. As a result, some categories are not directly comparable year-on-year, particularly those related to upstream transportation and logistics emissions. The company will refine its calculation methodology and set specific targets in the following year, once data reliability has been improved.

GHG intensity for GHG scope 1 and 2 (location based):

Year	GHG emissions (scope 1 + scope 2 (tCO ₂ e), location based)	Turnover (eur)	GHG intensity per turnover (kg CO ₂ eq/eur)	Total m ²	GHG intensity per area (kg CO ₂ eq/m ²)
2023	572	31 746 000	0.0180	10 736	53
2024	577	31 992 000	0.0193	10 826	53

C3 – GHG reduction targets and climate transition

The company has not yet established precise greenhouse gas (GHG) emission reduction targets, primarily due to limitations in data availability and quality, as well as the current exclusion of certain GHG categories under Scope 3. Therefore, the undertaking hasn't adopted a transition plan for climate change mitigation (and adaptation). Nevertheless, we have taken several actions to improve our energy efficiency and reduce GHG emissions (see B2, B3).

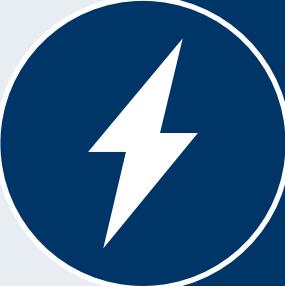
As the undertaking operates in high climate impact sector, we plan to improve the data collection (with special focus on shopping centres/store locations, logistic partners, but also on our products we sell) and take steps accordingly by 2026.

Note: In coming years, the FIFAA headquarters in Tallinn will be renovated with full consideration of all sustainability principles and modern building and space planning standards. This will lower energy consumption in the Tallinn office and in the business gifts division's production operations.

C4 – Climate risks

There are no significant assets exposed to material physical risks due to climate change in short and medium term.

Company has identified within its double materiality assessment following **climate adaptation and mitigation risks as material**:

Type of risk (focus) ¹²	Risks	Time horizon/risk severity	Action taken 2024
 Transitional risks (local value chain)	Increased fuel or energy prices through higher carbon pricing, which may affect negatively our cost structure. Failure to decarbonise our targeted scopes (or realizing it is financially burdensome), not having enough support from supply partners aligned sustainability plans and strategies.	Medium term/ medium	No
 Transitional risks (global value chain)	Increased energy prices through higher carbon pricing may affect production process/product pricing and as a result also sale volumes/meeting sales targets/managing cost structure. Global brands may fail to meet their own as well as national and global expectations on decarbonising their production, transportation fleet, etc. targets. Additional risk may be exposed from global next generation customers side with constantly deepening and strengthening expectations from ESG perspective and desiring of new, more environmentally conscious brands (which in longer perspective can reduce the attractiveness of global brands and therefore affect sales).	Medium term/ low	No
 Energy use (our operations)	Failure to increase energy efficiency in our own operations, strong dependency from shopping centres and their strategic decisions which we do not control directly. External demand from brands/partners/local community to shift too quickly to renewable energy in retail spaces with too high cost. Possible changes in energy-related tax policies which can bring along significant cost increase.	Short term/ low	No But we have asked our partners (shopping centres, logistics) about their plans related to energy transition and what could be our options to reduce our carbon footprint

In 2026–2027 we plan to re-evaluate our risks (incl. related to climate change) to ensure the sustainability and continuity of our business.

¹² Local value chain – transportation from European distributional centres to our warehouses, consumption of our products; Global value chain – raw material and products' production, transport to European distribution centres; Our own operations – activities on our offices, stores, production facilities.

B4 – Pollution of air, water and soil

The undertaking has **no legal obligation to report air, water, or soil pollution** to the relevant authorities. Given its primary activities in the retail and wholesale sectors, the company's operations do not result in significant direct pollutant emissions to the environment.

B5 – Biodiversity

There are **no sites** that the undertaking owns, has leased, or manages in or **near a biodiversity sensitive areas**¹³.

The undertaking's locations (such as shopping centres and offices) are typically situated in urban areas where the ground surface is sealed, and the original soil has been covered. These sites are often owned and managed by other enterprises and shared with multiple other businesses. FIFAA does not have precise information on the extent of sealed surfaces at these locations and has limited ability to influence their condition.

B6 – Water

Since the company **does not engage in water-intensive activities**, we do not have precise data on water withdrawal/consumption. Water is used primarily in offices, warehouses, production (printing), and stores. All water we use is withdrawn from public water supply

systems. Not all shopping centres provide precise information on water usage related to our premises.

Water usage can be estimated indirectly by multiplying the number of employees by the average office water consumption per person, which is up to 40 litres per day¹⁴. This corresponds to a total annual consumption of approximately 1 730 m³¹⁵, which is negligible compared with water use in industrial sectors such as energy production, agriculture, mining, or the paper industry.

Also, FIFAA production (printing on textile) sites do not use significant amounts of water. As an example, FIFAA production in Estonia used in 2024 120 m³ (10 m³/month) of water (incl. water use in the toilets, kitchen) and Ervitex production used only 60 m³ of water in 2024.

There are **no FIFAA locations on areas of high water-stress**¹⁶.

In the Baltics the water stress levels (understood as a proportion of freshwater withdrawal from available freshwater resources) are low, reaching from 1% to 11%¹⁷.

B7 – Resource use, circular economy and waste management

A lot of resources are used, and waste is generated in FIFAA's global value chain. However, in our own operations, waste generation is not as significant sustainability aspect as one might expect.

¹³ Biodiversity sensitive areas are defined as such by special nature protection regulation at European or international level. These comprise areas belonging to the Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas as well as other protected areas designated as requiring special protection by governmental authorities. [Estonian Land and Spatial Development Board](#) (nature protection areas and individual nature protection objects)

¹⁴ [KPI – Water consumption performance indicators](#)

¹⁵ Number of full-time employees * number of working days in the year * average daily water use per person (40 litres).

¹⁶ [WWF Risk Filter Suite](#)

¹⁷ [UN-Water SDG 6 Data Portal](#)

IMPLEMENTATION OF CIRCULAR ECONOMY PRINCIPLES

FIFAA Group is implementing the circular economy principles as extensively as possible and reasonable.

- **Elimination of waste and pollution.** FIFAA Group as retail/wholesale company of selling global sporting and leisure apparel and shoes has limited position to influence the production processes and design, including usability, reusability, repairability, disassembly and remanufacturing, of the products and sales packaging. These decisions are made by global brands, many of which take serious steps and initiatives towards minimising and preventing the generation of waste.

PF Concept, our partner in providing of promotional products and gifts, is committed to reducing its environmental impact by phasing out all virgin fossil-based plastics from their products and packaging by 2030¹⁸.

- **Circulation of products and materials.** FIFAA is committed to choosing and offering more sustainable products, incl. goods with recycled content. For example, our business gifts unit is choosing a never-out-of-stock-products for printing which can demonstrate their environmental and sustainability performance (e.g. product having GOTS, OEKO-TEX, etc labels, or products with calculated carbon footprint).

For example, our partner Stanley/Stella have GOTS, GRS, OEKO-TEX, PETA certificates.

- **Regeneration of nature.** FIFAA Group has not taken steps to regenerate nature and improve or restore key ecological functions of ecosystems.



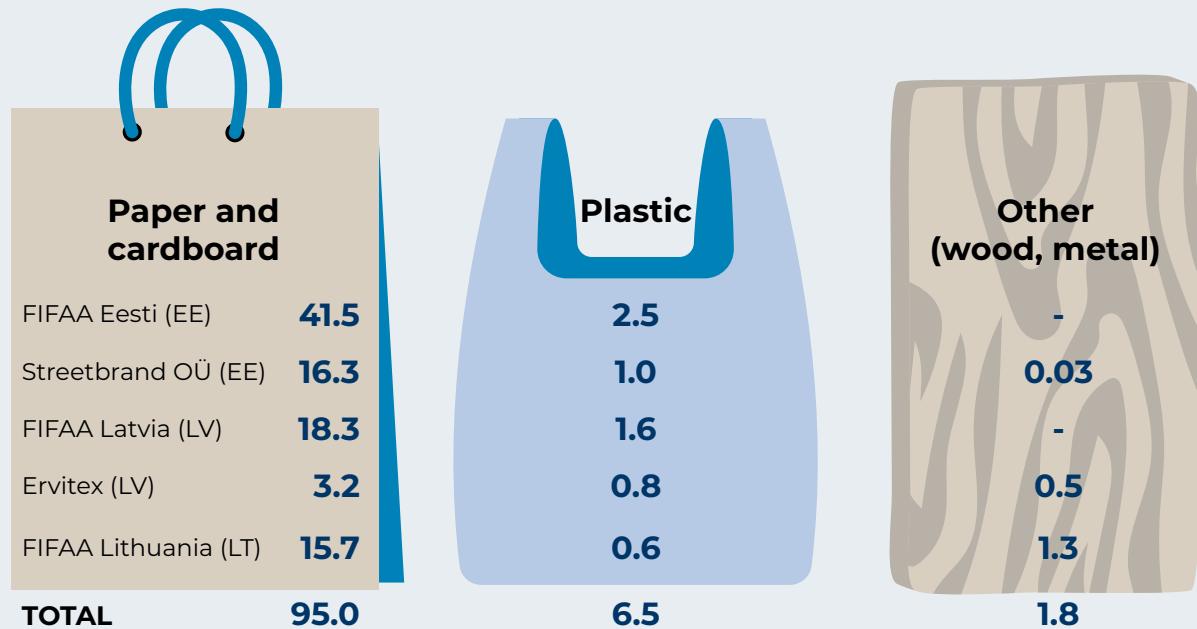
¹⁸ [PF Concept website](#).

WASTE

The subsidiaries of the FIFAA Group do not generate significant amounts of waste in their day-to-day operations. Most waste arises in offices (mainly household waste), warehouses and shops (primarily packaging waste), and production facilities (packaging waste, textile waste, and some hazardous waste).

Packaging waste. All FIFAA subsidiaries that generate packaging waste are required to submit a packaging waste report and have agreements with producer responsibility organisations for the collection and recycling of their waste. These organisations ensure that the collected packaging waste is recycled to the extent required by regulation. Most of our packaging waste is made of paper and cardboard (e.g. shoe boxes).

Packaging waste generation in 2024 (tons)



Textile waste. Most of our sold products (such as clothing and footwear) will become textile waste at the end of their lifecycle. Starting in 2025, there is a requirement to collect textiles separately. Latvia has already introduced a natural resource tax¹⁹ on textiles. By 2027–2028 at the latest, an extended producer responsibility (EPR) system will be implemented in all counties, requiring companies to collect and either reuse or recycle the textile products they place on the market. Consequently, FIFAA Group companies will be required to obtain more detailed data on product composition, weight, durability, recyclability, and reusability in the coming years.

Interesting fact:

In 2024, Skechers sold 200 000 pairs of shoes in the Baltics, with a total weight of approximately 160 tons²⁰.

Ballzy sold in 2024 131 941 pairs (approx. 105 t) of footwear.

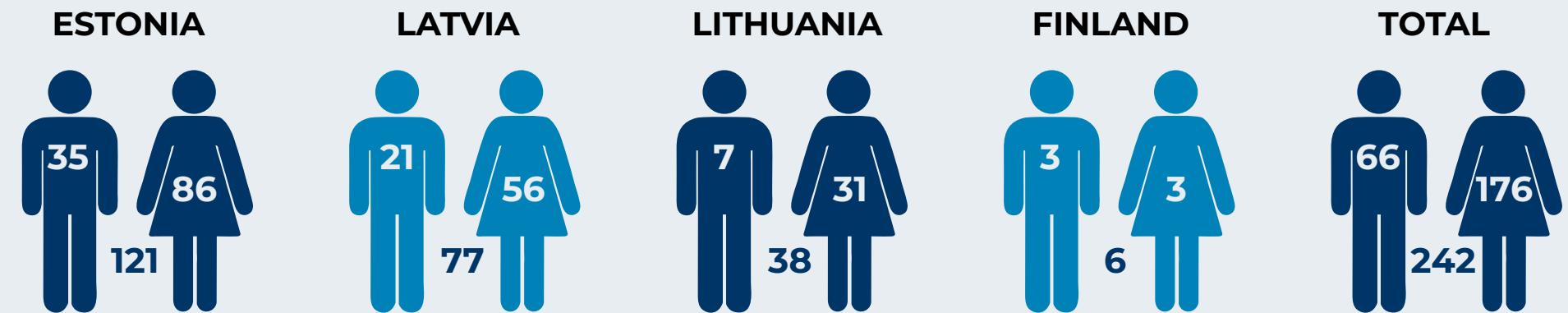
Hazardous waste (residues of paints, solvents, etc) is generated in small amounts in production sites in FIFAA AS (Estonia) and Ervitex (Latvia).

Bio (food) waste is generated only in offices, in very small amounts. At the Tallinn office, kitchen food waste is collected separately and handed over to a licensed waste management company.

¹⁹ [Latvian Natural Resources Tax Law](#)

²⁰ The average weight of shoe pair is 0.8 kg.

FIFAA workforce characteristics in 2024, by country



● Full time equivalent (31 Dec)

103	18	63	14	29	9	2	4	197	45
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Employee turnover (%)²¹

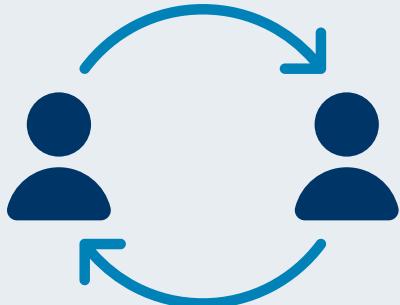
75% **54%** **0%** **0%** **55%**

Share of permanent contracts (%)²²

93% **100%** **100%** **100%** **97%**
113 77 38 6 234

²¹ Employee turnover = people left during the year / average number of employees (HC; 2023+2024/2)* 100

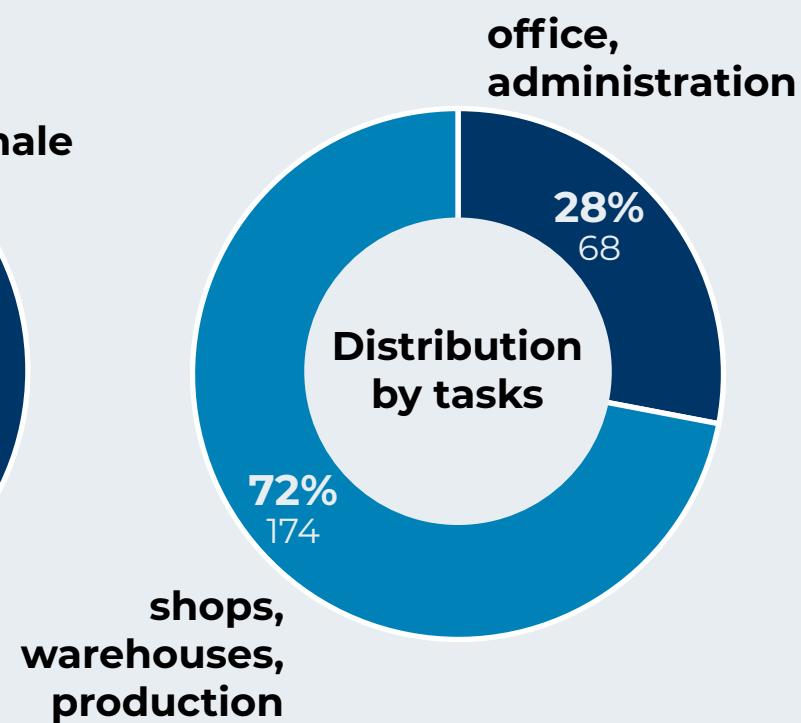
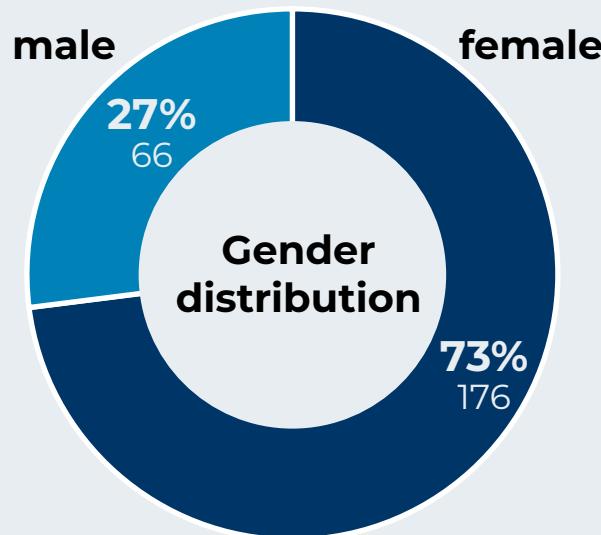
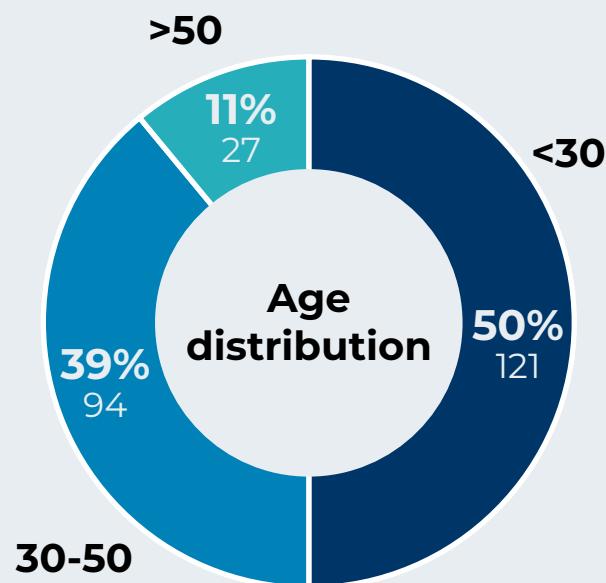
²² Permanent contracts / total number of employees (HC) *100



The FIFAA's employee turnover rate in shops, warehouses, and production ("blue-collar" roles) is higher, than in offices and administration ("white-collar" roles), 68% and 32% respectively.

In retail sector the turnover of employees is usually high, especially at the shop level. It is mainly due to fact that retail jobs are often entry-level, with lower pay and high demands, leading to frequent job changes. The workforce is younger, incl. many students or part-timers.

Note: Common employee turnover in retail is typically 30–60% per year for frontline roles. Above 60% is high, but common in some markets and roles.²³



²³ [Employee turnover in retail – what it's costing you and how to fix it](#) (2025)

B9 – Health and safety

There has been **one work related accident** in Latvia. Employee tripped and fell while receiving shoe box from the store's stockroom. It resulted in a broken arm. This incident was filed accordingly.

The **rate of recordable work-related accidents** of employees in 2024 was **0.51²⁴**.

There have not been fatalities as a result of work-related injuries and work-related ill health in FIFAA Group.

B10 – Remuneration, collective bargaining and training

FIFAA Group confirms that **all the employees have received pay that is equal or above applicable minimum wage** for the country it reports in.

National minimum wages in 2024²⁵:



Please note: Minimum wages are calculated differently in the three countries: in Estonia, the employer pays the majority of social taxes; in Lithuania, they are largely paid by the employee; and in Latvia the tax burden is shared. As a result, net (take-home) minimum wages in Lithuania and Latvia are relatively lower than in Estonia, as shown here.

There is no detailed information available yet on percentage gap in pay between female and male employees. Since FIFAA subsidiaries are obliged by law to report this information in 2027 (using 2026 data)²⁶, this information will be available in the next sustainability reports.

There are no employees covered by collective bargaining agreements.

In 2024, FIFAA Group organised several **trainings** for its employees. For example, average number of training hours per employee in FIFAA Latvia was 3. However, there is no consolidated overview across subsidiaries of annual training hours per employee (by gender). In the following years, this data will be collected, alongside a refinement of which activities are to be considered training.

C5 – Additional (general) workforce characteristics

The **female-to-male ratio at management level** for the reporting period is **1:8**.

There is no information on those self-employed without personnel who are working exclusively for the undertaking. FIFAA Estonia, unlike other subsidiaries, has actively used temporary workforce via GoWorkabit portal²⁷ (approx. 800 times in 2024), which enables to use of flexible workforce in warehouses and shops.

C6 – Human rights policies and processes

The undertaking doesn't have a specific code of conduct or human rights policy for its own workforce, which would cover child labour, forced labour, human trafficking, discrimination, accident

²⁴ Rate = recorded accident / total number of hours worked in a year by all employees * 100 full-time workers' hours a year.

²⁵ [EURES \(European Employment Services\), Labour market information in Europe](#): Estonia, Latvia, Lithuania (as of 1 January 2024)

²⁶ [EU Pay Transparency Directive \(Directive \(EU\) 2023/970\)](#).

²⁷ [GoWorkabit website](#)

prevention. But these topics (and other own workforce related rules) are covered in **code of ethics, organisation work rules, inappropriate behaviour policy, diversity agreement, recognition of inclusion of people with reduced work capacity in active working life.**

The undertaking has a complaints-handling mechanism for its own workforce. It can be done via **Moticheck platform²⁸** or **whistleblowing function** (which is required by the law).

C7 – Severe negative human rights incidents

There **have been no confirmed incidents** within our own workforce related to child labour, forced labour, human trafficking, discrimination, or any other human rights-related issues.

GOVERNANCE METRICS

B11 – Convictions and fines for corruption and bribery

During the reporting period, there have been **no convictions or fines** imposed on FIFAA Group for **violations of anti-corruption or anti-bribery laws.**

C8 – Revenues from certain sectors and exclusion from EU reference benchmarks

FIFAA is not operating and **do not earn revenues** in the sectors of controversial weapons, the cultivation and production of tobacco, fossil fuel, and manufacture of pesticides and other agrochemical products.

The undertaking is not excluded from EU reference benchmarks that are aligned with the Paris Agreement.

C9 – Gender diversity ratio in the governance body

The governance body of FIFAA consists of three male board members and no female members. Consequently, **the gender diversity ratio in the governance body is 0.**

²⁸ [Moticheck website](#)

FUTURE REPORTS AND ACTION

The FIFAA Group will continue to regularly compile and publish its voluntary sustainability report in accordance with the EFRAG VSME standard. In order to improve the clarity and practical value of the report in 2025–2026, we will:

- focus on improving **data quality** and collecting comprehensive information to clearly establish **baselines**, which will support setting **future targets** and selecting **performance indicators** for our key sustainability aspects
- remap and engage with key **stakeholders** to gain a clearer understanding of the sustainability information most relevant to their interests
- focus on the **most significant sustainability impacts**, aiming to reduce the negative (e.g. energy use) and enhance the positive ones (e.g. supporting sports)
- clarifying the actions we can take to strengthen our market position through **sustainability initiatives** (e.g., evaluating and applying for sustainability certifications, sustainable procurement, developing sustainable products and services).

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