



FIFAA Group

Sustainability
report

2025

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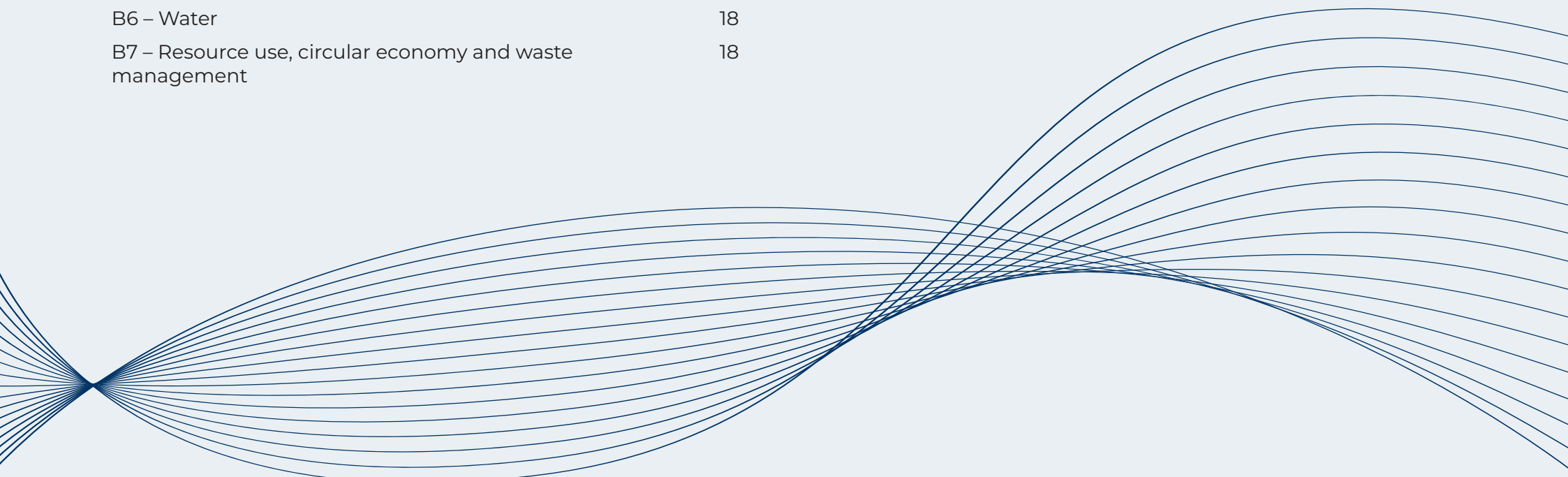
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FOREWORD

The turbulent events of recent years have raised the question of whether practicing sustainability at the corporate level is still necessary. At FIFAA Group, we believe it is. The environmental and sustainability issues we face have not yet been resolved.

FIFAA Group wants to contribute to positive change rather than simply conclude that there is little we can do. By voluntarily preparing this sustainability report, we want to be transparent about both our progress, and the areas where we still need to improve.

This year has brought several important developments for our Group. The Ballzy casual footwear retail chain is no longer part of FIFAA Group. At the same time, the Skechers footwear brand continues to gain popularity across our region. Our business and fan merchandise as well as TeamSport divisions have made a significant contribution to major team sports events, including EuroBasket 2025 in Riga.

We also hope that continued efforts in sustainability will be increasingly recognized by customers, partners, and suppliers. We encourage procurement professionals and market participants to place greater emphasis on environmentally responsible solutions and to actively seek out the more sustainable products and services that companies such as FIFAA can offer.

Enjoy reading the report!



Viire Viss
Head of sustainability
FIFAA Group

FIFAA Group sustainability strategy

FIFAA's 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

The FIFAA Group is not required to publish a mandatory sustainability report; we do so on a **voluntary basis**. FIFAA Group has published voluntary sustainability reports since 2021. The first ones were prepared in accordance with Global Reporting Initiative (GRI) requirements, but the last year's sustainability report was compiled following the **European Sustainability Reporting Standard for Voluntary Sustainability Reporting by Micro, Small and Medium-sized Enterprises** (ESRS VSME standard).¹ We are also following the VSME Standard this year, in line with the European Commission's draft Delegated Regulation and its revised reporting datapoints.²

The report has not been independently verified and audited. KPMG Baltics reviewed last year's report and confirmed that its structure

and elements comply with the standard. We have followed mostly the same structure this year.

Scope 2 greenhouse gas (GHG) emissions have been calculated by Nomine Consult. The company performed the other GHG calculations itself but can confirm the accuracy of the results.

This report **focuses our own operations and activities – energy use, transport waste generation, own workforce, clients and local community** – where we can make an impact ourselves.

The report's **target audience** includes our partners, clients, employees, and to anyone interested in our activities.



¹ EFRAG. December 2024. [Voluntary sustainability reporting standard for non-listed micro-, small- and medium-sized undertakings \(VSME\)](#).

² European Commission. [Sustainability reporting standard for voluntary use](#). (12.06.2026)

GENERAL INFORMATION

B1 – Basis for preparation

Reporting period is 1 January – 31 December 2025.

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. According to the EC regulation classification we cover all “necessary” and “necessary if applicable” datapoints.

This sustainability report was prepared on **a consolidated basis** (the report includes information about the undertaking and its subsidiaries).

The VSME standard and EC voluntary sustainability reporting regulation allow to refer to the information provided in the previous year’s report if specific datapoints remained unchanged. These disclosures are (not presented in this year’s report):

C4 – Climate risks

B4 – Pollution of air, water and soil

B5 – Biodiversity

C6 – Human rights policies and processes

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

FIFAA Group Sustainability report 2024 is available on FIFAA website – fifaa.ee/keskkond.³

The **main activity of** the company is **wholesale of clothing and footwear** (NACE 46.42). Additional activities are retail sale of footwear (NACE 47.72) and clothing (NACE 47.71), and business and other management consultancy activities (NACE 70.20).

In 2025, the FIFAA Group comprised FIFAA AS (the parent company) and five subsidiaries, with **Estonia** as its **primary country of operations**.

³ [FIFAA Group sustainability report 2024](#).

FIFAA Group subsidiaries



* Public Limited Company, ** Private Limited Company

Changes in 2025:

- Marsten Marketing was merged with FIFAA AS
- FIFAA Baltics UAB was merged with NL Lietuva UAB⁴
- The shareholding in Streetbrand OÜ, the operator of the Ballzy retail stores and the Baltic-wide online store, was sold.
- The Skechers Baltic central warehouse was relocated to Riga.

Note: Streetbrand OÜ's (Ballzy stores) data and impacts are included in the FIFAA Group 2025 report for the period during which it was legally part of the company.

LOCATIONS

During 2025, the company operated **40 stores** (Ballzy, Skechers, and T-Shirt Stores). By the end of the year, however, the number had **decreased to 27** following the sale of the Ballzy stores and closure of two other stores.

New Skechers stores were opened in Riga Plaza in Latvia, as well as in Kaunas Akropolis and Parkas Outlet in Lithuania. Skechers Klaipeda store was re-located and increased in size to 250 m².

In addition, there are offices and production and warehouse facilities of business gifts division in Tallinn and Riga.

At the end of 2025, the total premises area was **9 337 m²**, of which **4 027 m²** was retail space.



Skechers Klaipeda Akropolis



Skechers Kaunas Akropolis



Skechers Parkas Outlet

⁴ Since 24 April 2026 FIFAA Lietuva UAB.

FIFAA Group retail stores in 2025*

* The stores marked in blue were no longer part of the FIFAA Group as of the end of 2025. Green – new ones.

LATVIA

- Skechers ALFA
- Skechers Riga Plaza
- Skechers Domina
- Skechers Akropole
- Skechers Origo
- Skechers Spice
- Skechers Outlet Olimpia
- Ballzy Caka street
- TSS Akropole
- TSS Alfa
- TSS Domina
- TSS Origo
- BangBang
- VANS Alfa
- Ballzy Akropole
- Ballzy Alfa
- Ballzy Spice



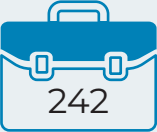
ESTONIA

- Skechers Rocca
- Skechers Kristiine
- Skechers Lõunakeskus
- Skechers Ülemiste
- Skechers Nautica
- Skechers Pärnu Kaubamajas
- TSS Kristiine
- TSS Lõunakeskus
- TSS Ülemiste
- Ballzy Ülemiste
- Ballzy Viru
- Ballzy Lõunakeskus

LITHUANIA

- Skechers Klaipeda Akropolis
- Skechers Kaunas Akropolis
- Skechers Parkas Outlet
- Skechers Vilnius Akropolis
- Skechers Siauliai Akropolis
- Skechers Vilnius Outlet
- Skechers Mega Kaunas
- Ballzy Vilnius Akropolis
- Ballzy Klaipeda Akropolis
- Ballzy Siauliai Akropolis

Key figures of the FIFAA Group

	Balance sheet (eur)	Turnover (eur)	EBITDA	Number of employees	
				(headcount as of December 31)	(full-time equivalent as of December 31)
2023	14 422 000	31 746 000	3 058 000	 263	 229
2024	15 730 000	31 992 000	2 490 000	 242	 197
2025	13 423 000	31 102 000	2 724 000	 210*	 173*

* without Ballzy employees

SUSTAINABILITY RECOGNITIONS

In 2025 FIFAA AS maintained the **silver level of Sustainability Enterprise Index⁵**, 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.



⁵ [Estonian Responsible Business Index](#). FIFAA gained the recognition in the beginning of 2025, and it is valid for 2 years.

Ecolabel application readiness assessment

In 2025, FIFAA AS’s business gift division (textile printing) conducted a preliminary self-assessment of compliance with the criteria for the Global Organic Textile Standard (GOTS) and OEKO-TEX certifications. These certification schemes verify that textiles meet strict environmental and safety standards, including responsible production processes and limits on harmful substances.

The assessment showed that FIFAA AS is already performing well in several areas, such as offering products with certified labels and using GOTS-certified DTF machines. However, improvements are needed if the company aims to certify the entire process — for example, certified materials should be stored separately, chemical information systems should be improved, and packaging materials should be reviewed.

The company is considering applying for the certification if production is modernized and there is demand from clients’ side.

C1 – Strategy: business model and sustainability-related initiatives

FIFAA Group operates in **retail, wholesale, and textile printing sector**. The company's main products and services include textile products, footwear, accessories, and custom printing services.

On the **retail** side, FIFAA Group is present in all major shopping centres across the Baltic States with its fashion and footwear/sneaker stores. Company is operating Skechers mono brand stores and T-Shirt Store print on demand stores in the region. One of our concepts – TeamSpirit is operating only in online channel and in pop-up store version during different sports and cultural events.

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



In business gift and TeamSpirit we also use brands like adidas, Puma, Stanley/Stella, Clique, Gildan, Beechfield, Nike, Craft, etc.

Our **main partners** are globally – 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.

AS FIFAA and its subsidiary SIA Ervitex in Latvia 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.

Our on-line stores operate in addresses:

- promotional clothing and business gifts in Estonia: fifaa.ee
- fans' and sports teams' merchandise in Estonia: teamspirit.ee
- wholesale of clothing and accessories in Latvia: ervitex.lv
- T-shirt Stores in Estonia: [https://t-shirtstore.ee](http://t-shirtstore.ee), and Latvia: [https://t-bode.lv](http://t-bode.lv)
- Skechers shoes and apparel in the Baltics: skechers.ee, skechers.lv, skechers.lt



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

For transitioning towards a more sustainable economy FIFAA has in place **practises, policies and future initiatives and targets** for following material sustainability topics:

Climate change
Circular economy

Own workforce
Consumers and end-users

Affected communities
Business conduct



Materiality: 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.

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 2026.

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

- increasing renewable energy use
- improve energy efficiency in stores, warehouses and offices
- optimizing logistics and using new technologies, and
- encouraging more sustainable employee behaviour (such as adopting greener commuting solutions and energy-saving practices).

We aim to gradually reduce our greenhouse gas emissions in all categories we measure and decrease total GHG emissions by at least 20% by 2030 (Scopes 1 and 2) compared to 2025. Please see C1.





CIRCULAR ECONOMY

Materiality: 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.

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 in 2028.

We aim to collect and either reuse or recycle our textile products in compliance with legal requirements, targeting approximately 20% by 2030.

At 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.





OWN WORKFORCE

Materiality: 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.

We prioritise open and transparent communication between management and employees. Therefore, we use daily feedback platform Moticheck.⁶ We inspire our employees to have healthy and lifestyle by hosting different sport events and setting up fitness challenges.

Our **objective** is:

- to strengthen employee competencies and professional growth and ensure equal access to employee development opportunities by aligning annual training hours across all subsidiaries. We aim to achieve at least 10 training hours per employee annually by 2027
- employee retention by maintaining the employee turnover under 50%.
- at least 70% of employees participate in physical activity challenges or sporting events.
- zero work-related accidents and deaths.

We plan to review the documents/policies related to own workforce and compile a Code of Conduct of the FIFAA Group in 2026.



⁶ [Moticheck website](#).



AFFECTED COMMUNITIES

Materiality: 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.

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, non-profit organisations (such as Estonian Basketball Association, Estonian Football Federation, etc) and teams to small educational/awareness rising activities.

We continue to contribute to the supporting next generations sporting habits and healthy lifestyle. Our **objective** for 2026 is driving 5% of the population into sports through our initiatives.



BUSINESS CONDUCT

Materiality: 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.

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 partners**.⁷ We do not conduct audits of our partners' compliance with our principles, but we monitor it increasingly closely from year to year.

Our **objective** is to maintain zero confirmed incident of corruption, bribery or unethical conduct.

FIFAA has an **ESG Lead** position responsible for coordinating sustainability activities, with actions carried out under the approval of the company's management. We closely monitor regulatory developments and will continue to publish a voluntary sustainability report on an annual basis.

⁷ Available at [FIFAA website](#) (in Estonian)



CONSUMERS AND END-USERS

Materiality: 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.

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). These measures help consumers to make more sustainable choices.

Our goal is to comply with the Consumer Empowerment Directive and meet its requirements, i.e. to avoid making misleading environmental claims, with zero non-compliances by 2028. To achieve this, we need to review the marketing materials and public information related to FIFAA products, services and our operations.

In 2025, the corporate gifts unit of FIFAA AS assessed the compliance of its production with the Global Organic Textile Standard (GOTS) and OEKO-TEX eco-labels. We identified areas where improvements are needed.

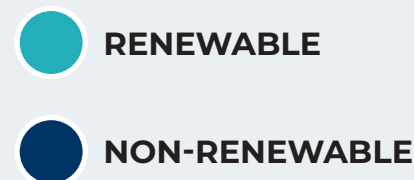
Applying for the certification will be considered if production is upgraded and if our clients increasingly demand for it.



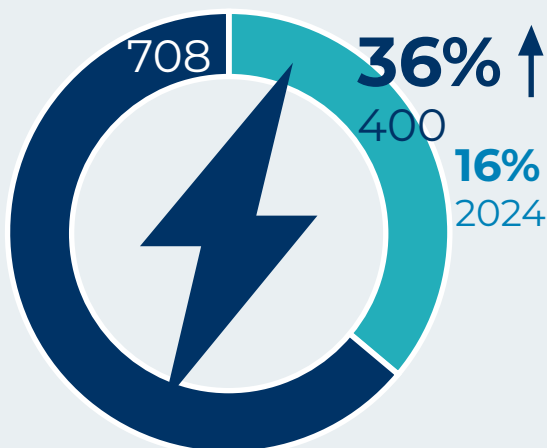
ENVIRONMENTAL METRICS

B3 – Energy and Greenhouse Gas (GHG) emissions

In 2025, **renewable energy sources** accounted for **41%** (26% in 2024) of the company's total energy consumption. This is primarily driven by the increased use of renewable electricity

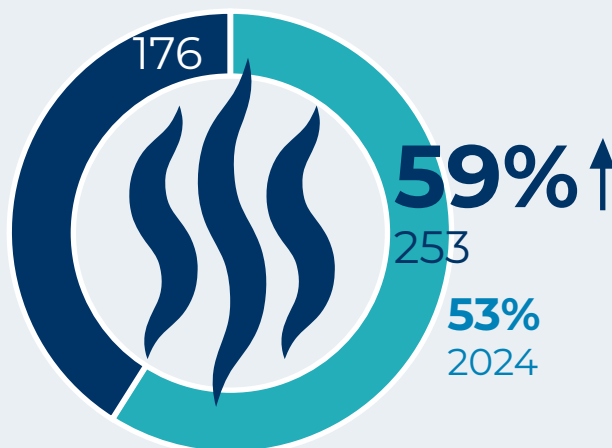


Energy consumption 2025 (MWh)



ELECTRICITY CONSUMPTION

Total: 1 108 ↓
(Total 2024: 1158)



HEAT CONSUMPTION^a

Total: 429 ↓
(Total 2024: 548)



FUELS (FOR OWN TRANSPORT)

Total: 65 ↓
(Total 2024: 123)

The 20-percentage point increase in the share of renewable **electricity** is primarily the result of improved data quality rather than an actual operational change, as shopping centres have provided more comprehensive information regarding their use of renewable electricity. 100% renewable electricity is used by shopping centres such as Ülemiste, Kristiine, Rocca al Mare, and Kaubamajaks in Estonia; Origo, Akropole Rīga, Akropole Alfa in Latvia. Since November 2025 the FIFAA Estonia office uses renewable electricity (also for heating).

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

Company owned **transport** vehicles consumed non-renewable fuel – 4 167 litres of diesel and 2 539 litres of gasoline.

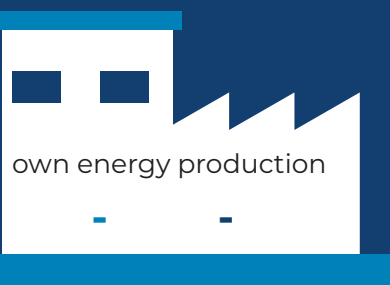
a) Gas, biomass, oil shale, waste incineration, etc. If the location is heated with electricity, it is included under electricity consumption.

Greenhouse Gas (GHG) emissions in 2024–2025 (tCO₂e)

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

electricity (location/
market based⁸)

504/559 472/406



own energy production



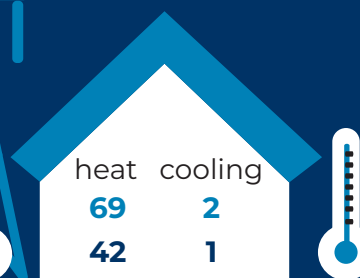
company
owned vehicles

32 17

SCOPE 1

direct emissions

Total: 32, 17



heat cooling

69 2

42 1

SCOPE 2

indirect emissions
(location/market based)

Total: 504/559, 472/406



business travel

57 45



upstream transportation
and distribution

98 207



downstream
transportation and
distribution^b

11 11



employee commuting^a

150 137

SCOPE 3

indirect emissions

Total: 354, 400

a) Ballzy employees were considered up to the time they worked at FIFAA Group. Without employees of Ballzy the GHG emissions for commuting were 115 tCO₂e.

⁸ 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).

Methodology of GHG calculations

The calculation of GHG emissions was carried out in accordance with the Greenhouse Gas Protocol. All the FIFAA subsidiaries were included in GHG calculations, and the data is provided in consolidated bases. The GHG inventory covers scope 1 and 2, but not all scope 3 emission categories (see the figure).

The activity-based and supplier-specific methods were primarily used for data collection and emissions estimation. Scope 1 and Scope 3 emissions were calculated by the undertaking, while Scope 2 emissions were calculated by Nomine Consult.

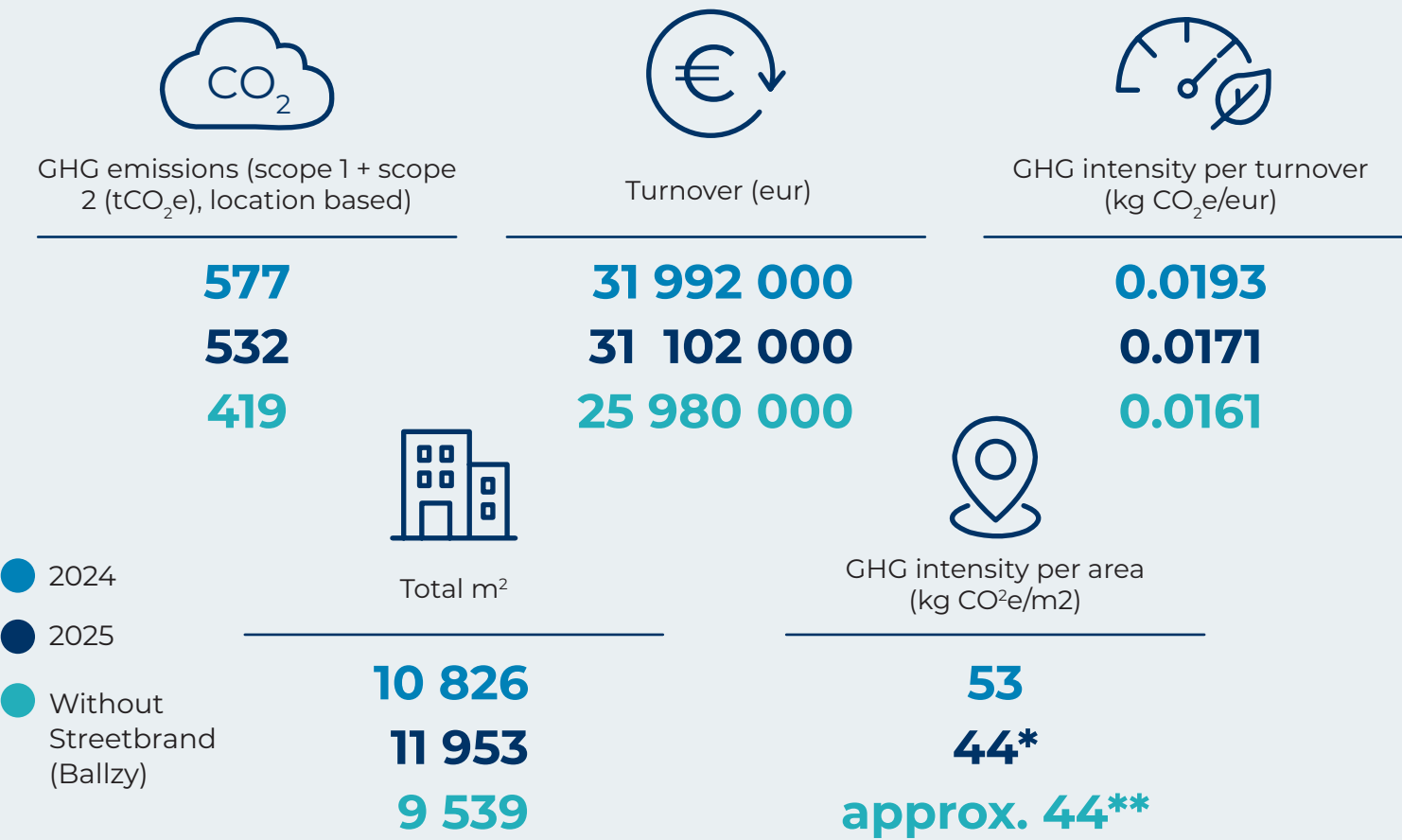
The primary source of emission factors was the Estonian Ministry of Climate's model for calculating the environmental footprint of organisations.⁹ Where possible, country-specific emission factors and data for Latvia and Lithuania were identified and applied by the consultants.

⁹ Estonian Ministry of Climate. [Model for GHG calculations](#). (12.06.2026)
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Total GHG emissions reduction can be attributed to the Ballzy leaving the group/company. The decrease in market-based Scope 2 emissions in 2025 compared with the location-based figure is mainly attributable to the increased share of electricity procured by FIFAA and its partners (shopping centres) from renewable sources through contractual arrangements (e.g green electricity contracts).

The apparent increase in upstream transport-related emissions is mainly the result of improved data collection and higher-quality information received from transport partners, rather than a significant increase in actual emissions.

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



* The actual GHG intensity is higher because the floor area (m²) includes the Ballzy stores for the entire reporting year, while their GHG emissions were excluded after the business was sold.
** The actual GHG intensity is slightly higher, because there were two FIFAA stores which were closed during the year (Vans and TSS Ülemiste)

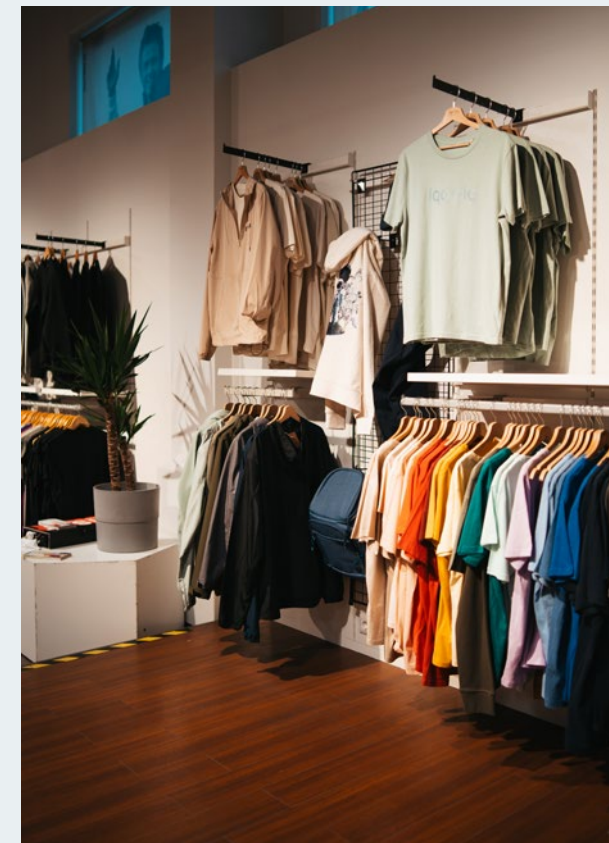
C3 – GHG reduction targets and climate transition

To date, the company has been focussing on improving energy-related data collection and improving data quality. There is no formulated detailed 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) and we also have formulated preliminary targets to reduce our GHG emissions. These targets are subject to annual review.

GHG reduction targets for 2030

Target	Indicator	Base year 2025	Target year 2030
Reduce of scope 1 and 2 emissions (location based) by 30%	t CO ₂ /year	419*	293
Increase the share of renewable electricity in scope 2 (market based)	% kWh/year	36%	60%
Reduce scope 1 and 2 energy intensity per m2	kg CO2e/m ² /year	44	35
Reduce scope 1 and 2 energy intensity per turnover	Kg CO2e/EUR/year	0.016	0.015
Transport partners have GHG reduction targets	90% of transport service expenditure	92%	100%
Reduce the scope 3 cat 4 and 9 emissions (transport)	t CO ₂ /year	218	<200

* without Ballzy emissions



Of the greenhouse gas emission categories measured to date, our largest impact arises from Scope 2 energy consumption and scope 3 transport, which is largely attributable to the activities of our partners. Many of our partners are taking action to reduce GHG emissions, and our role is to encourage continued progress.

Note: Many of our transport partners, including DSV, DPD, Omniva, SmartPosti and Hellmann, have set net-zero targets for 2040 or 2050.

B6 – Water

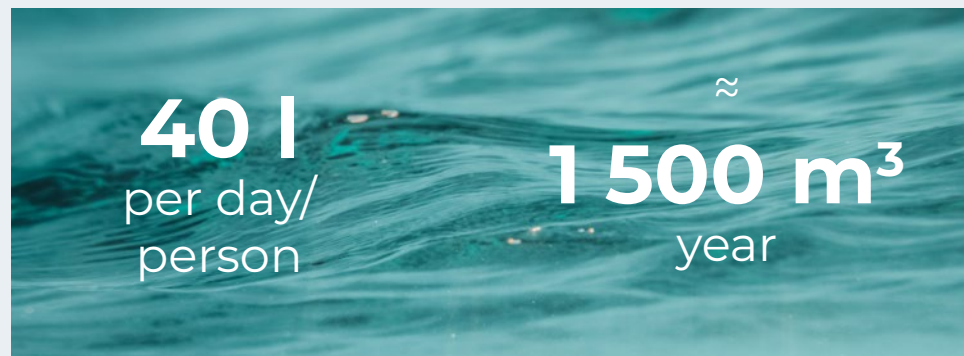
Since the company **does not engage in water-intensive activities**, we do not have precise data on water withdrawal/consumption. No water permit is required for the company's operations. Water is used primarily in offices, warehouses, production (printing), and stores. All water we use is **withdrawn** from public water supply systems.

FIFAA production (printing on textile) sites do not use significant amounts of water. Water consumption is limited to the washing of screen-printing plates.

Water usage can be estimated indirectly by multiplying the number of employees by the average office/store employee water consumption per person, which is up to 40 litres per day.¹⁰ This corresponds to a total annual consumption of approximately 1 500 m³,¹¹ which is negligible compared with water use in industrial sectors such as energy production, agriculture, mining, or the paper industry.

There are **no** FIFAA locations **on areas of high water-stress**.¹²

In the Baltics the water stress levels (understood as a proportion of freshwater withdrawal from available freshwater resources) are low, reaching from 1% to 8%).¹³



¹⁰ [KPI – Water consumption performance indicators](#)

¹¹ Number of full-time employees * number of working days in the year
* average daily water use per person (40 litres).

¹² [WWF Risk Filter Suite](#)

¹³ [UN-Water SDG 6 Data Portal](#)

¹⁴ [PF Concept website](#).

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. 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 2030.¹⁴

- **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).

Stella and Stanley 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.

WASTE

The subsidiaries of the FIFAA Group **do not generate significant amounts of waste** in their **day-to-day operations**. Waste is generated through employees’ day-to-day activities in offices (packaging, biowaste), warehouses and stores (primarily packaging waste), and production facilities (packaging waste, textile waste, and some hazardous waste).

Packaging

All FIFAA subsidiaries that put **packaged products** on the market 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 is made of paper and cardboard (e.g. shoe boxes).

Packaging waste generation in 2025 (tons)

	Packaging producer responsibility organisation	 Paper and cardboard	 Plastic	 Other (wood, metal)	Compared to 2024, the amount of packaging waste generated decreased by 29% . The main reasons for this reduction were the relocation of the central warehouse to Riga (FIFAA Logistics), the wider use of roll cages for goods distribution, and the selling of the Streetbrand (Ballzy stores) business during 2025.
FIFAA Eesti (EE)		8.3	0.7	0.1	
FIFAA Latvia (LV)		3.3	0.7	-	
FIFAA Logistics (LV)		27.1	1.4	-	
Ervitex (LV)		3.2	0.5	0.4	
FIFAA Lithuania (LT)		19.8	0.5	-	
Streetbrand OÜ (EE)*		6.1	0.1	-	
TOTAL 2025		67.8	3.9	0.5	
TOTAL 2024		95.0	6.5	1.8	

* 6 months

National packaging recycling rates in 2023 were in Estonia – 69%, Latvia – 63%. Lithuania – 61% (average in EU27 – 67%).

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 textile waste separately in all Baltic States. Latvia has already introduced a natural resource tax¹⁵ on textiles and our Latvian subsidiaries are the clients of **textile producer responsibility organisations**. These organisations collect textiles and ensure legally compliant waste management, incl recycling.

At the latest by 2027–2028 an **extended producer responsibility (EPR) system** for textile waste will be implemented in all Baltic counties, requiring companies to collect and either reuse or recycle the textile products they place on the market.

Textile products put on the market in 2025 in Latvia (tons)

	Textile producer responsibility organisation	Textiles (t)
FIFAA Latvia (LV)	AJ P+OWER	25
FIFAA Logistics (LV)	LATVIJAS ZĀLAIS PUNKTS	33
Ervitex (LV)		33
TOTAL		91

FIFAA Estonian and FIFAA Lithuania are not yet the clients of textile producer responsibility organisations and therefore do not have exact data on textiles yet.

¹⁵ [Latvian Natural Resources Tax Law](#)

¹⁶ If we multiply the number of shoe pairs sold by the average weight of 0.8 kg.

In 2025, Skechers sold 236 000 pairs of shoes in the Baltics, with a total weight of approximately 189 tons¹⁶.



The most popular Skechers model – Skechers Uno

Other waste

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

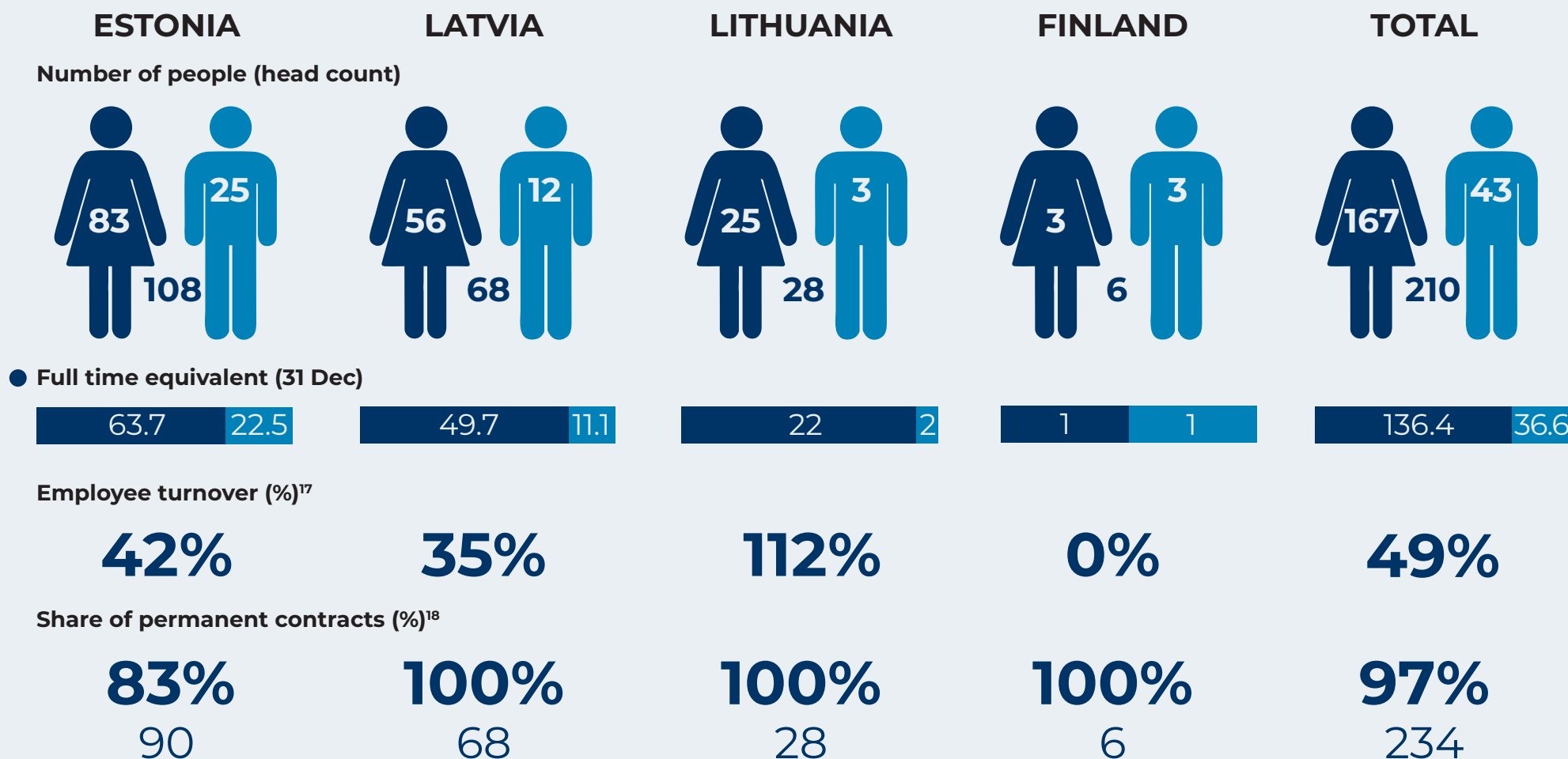
We generate only small amounts of biowaste in our kitchens. In the Tallinn office, **biowaste** is collected separately.

SOCIAL METRICS – WORKFORCE

B8 – General characteristics

FIFAA workforce characteristics at the end of 2025, by country*

* The table doesn't include the employees of Ballzy in Estonia, Latvia and Lithuania. Up to the moment when Ballzy belonged to FIFAA, 63 people worked there (32 females, 31 males).

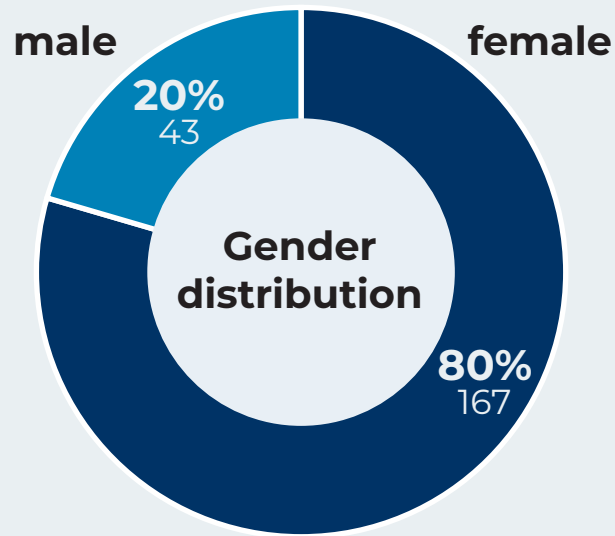


The FIFAA's **employee turnover rate** in shops, warehouses, and production ("blue-collar" roles) is higher, than in offices and administration ("white-collar" roles), 69% and 31% respectively.

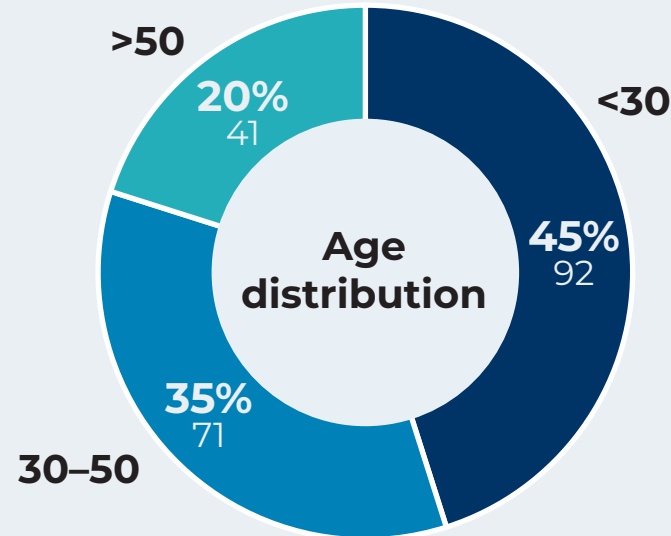
¹⁷ Employee turnover = people left during the year / average number of employees (HC; 2024+2025/2) * 100

¹⁸ Permanent contracts / total number of employees (HC) * 100

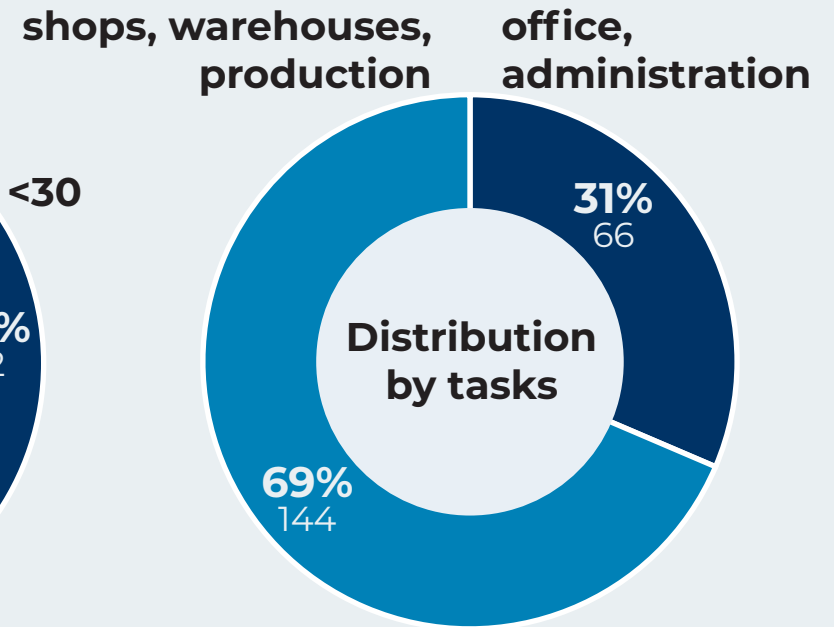
Employee distribution by different characteristics



The gender balance has shifted slightly towards women compared with the previous year (women accounted for 73% in 2024). A higher proportion of female employees is typical in the retail sector.



Compared with the previous year, the proportion of employees aged over 50 has increased (11% in 2024), while the shares of the other age groups have decreased accordingly.



The distribution of occupational categories has remained broadly unchanged compared with the previous year, with approximately one-third of employees working in administrative/office roles. The majority of white-collar employees are based in Estonia, as the company's overall management and administrative functions are centralized there.



B9 – Health and safety

The **rate of recordable work-related accidents** of employees in 2025 was **0**.¹⁹

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 the Baltic Sates 2025²⁰:



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.

¹⁹ Rate = recorded accident / total number of hours worked in a year by all employees * 100 full-time workers' hours a year.

²⁰ Eurostat. [Minimum wages 2025](#).

²¹ [EU Pay Transparency Directive \(Directive \(EU\) 2023/970\)](#).

There is no detailed information available yet on percentage gap in pay between female and male employees. As reporting under the EU Pay Transparency Directive is carried out at the employer level, and both FIFAA and its subsidiaries have fewer than 100–150 employees each, no statutory pay gap reporting obligation is expected to arise before 2031.

There are no employees covered by collective bargaining agreements.

TRAININGS

Companies operating in the retail and wholesale sector typically place a strong emphasis on product and service-related trainings for their employees.

Example of trainings we have organized:

- product, display and service trainings for store employees in all Skechers stores in the Baltics
- T-Shirt Store customer service standards training
- training for store managers on working time and rest period regulations, time tracking, work schedules, and leave management in Estonia
- artificial Intelligence training for FIFAA Latvia administration staff and store managers.



Training hours of FIFAA Estonia and FIFAA Latvia

Average training hours per employee / year 2025

			
AS FIFAA (EST)	6	3.3	5.4
FIFAA Latvia	16.4	18	16.6
Ballzy (EST and LV)	9.8	7.4	8.4

There is no comprehensive information available on trainings in Ervitex and FIFA Lithuania. In the following years we aim to improve data collection across the group using a consistent methodology.

C5 – Additional (general) workforce characteristics

The **female-to-male ratio at management level** at the end of the reporting period is **3:4**.

There is no information on those self-employed without personnel who are working exclusively for the undertaking. But FIFAA Estonia makes extensive use of **labour platform services**²², allowing the company to flexibly source temporary workforce resources for its stores, warehouse operations, and production facilities. In 2025, FIFAA provided work through these platforms to 183 individuals (25% of whom were men), accounting for a total of 9 023 working hours.

²² GoWorkaBit: <https://goworkabit.com/en/>

C7 – 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.

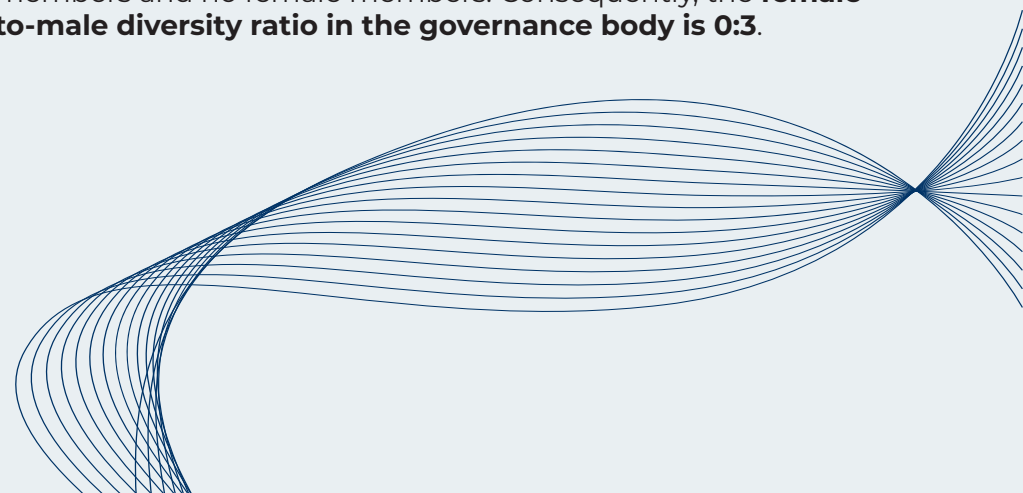
GOVERNANCE METRICS

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.

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 **female-to-male diversity ratio in the governance body is 0:3**.



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 2026, we will:

- focus on improving **data quality** and collecting comprehensive information to clearly establish **baselines**, which will support setting **future targets** and **actions** for our key sustainability aspects
- 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)
- maintained the silver level of **Sustainability Enterprise Index**, and to aim for gold!

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