



WHEREAS: The increasing rate and number of climate related disasters affecting society is causing alarms to be raised globally, making the corporate sector's contribution to climate mitigation a significant policy issue.

In addition to environmental and social harms, climate change is creating systemic risks to the economy. The Commodity Futures Trading Commission underscored that climate change could [impair the productive capacity](#) of the U.S. economy.

Shareholders are increasingly concerned about material climate risk to their companies and their portfolios and seek clear and consistent disclosures, including credible climate transition plans. [BlackRock's CEO notes](#) that investment flows into "sustainable" and climate aligned assets will drive long term outperformance and that companies should disclose plans for how their business model will be compatible with a net zero economy.

In response to material climate risk, the Climate Action 100+ initiative (CA100+), a coalition of 615 investors with \$60 trillion in assets, issued a Net Zero Benchmark (Benchmark) outlining metrics that create climate accountability for companies and transparency for shareholders. Indicators [1 through 5 of the Benchmark](#) seek reporting on companies' net zero emissions ambitions; short, medium, and long term greenhouse gas (GHG) reductions goals covering enterprise-wide emissions; and strategic action plans to achieve decarbonization targets.

Skechers USA, Inc. designs and markets footwear, apparel, and other accessories. Our Company has undertaken limited activities to reduce its GHG emissions. It has designed four distribution facilities with LEED or similar building standards, including solar panels and added other efficiencies, and has implemented related measures at its distribution hubs. Skechers also focuses on using recyclable and recycled packaging to reduce waste. While these are important first steps, our Company fails to report its GHG emissions and it has not established GHG reduction goals.

By measuring its Scopes 1-3 emissions, setting Paris-aligned, 1.5 degree targets, developing and disclosing a clear climate transition plan, and demonstrating progress toward achieving net zero emissions, Skechers can provide investors with assurance that management is reducing its climate contribution and addressing the growing risks associated with climate change, benefitting both the Company and shareholders.

BE IT RESOLVED: Shareholders request that Skechers issue a report within a year and annually thereafter, at reasonable expense and excluding confidential information, disclosing interim and long term greenhouse gas targets aligned with the Paris Agreement's goal of maintaining global temperature rise at 1.5 degrees Celsius, and



progress made in achieving them. This reporting should cover the Company's full scope of operational and product related emissions.

SUPPORTING STATEMENT: Proponents suggest, at Board and Company discretion, the report include:

- Disclosure of Skecher's annual Scope 1 through 3 (where relevant) GHG emissions
- A timeline for setting a net zero GHG reduction target and aligned interim goals
- A climate transition plan to achieve net zero emissions
- A rationale for any decision not to set targets aligned with the Paris Agreement's 1.5 degree goal
- Other information deemed appropriate