



**RESPONSIBILITY REPORT 2022** 

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# KNOWING TO reACT RESPONSIBLY

In today's global debate concerning the issue of ecological transition, what is most perplexing is the senseless contrast between two opposite extremes: On one side, there are the deniers who suggest carrying on as if nothing were happening; on the other side, there is the militant environmentalist front, believing that humankind is unknowingly bringing about its own self-destruction.

But to worsen and render the whole issue even more unsustainable, a third component seems to have emerged, possibly worse than the first two: the front of companies from all sectors, which spare no effort in asserting the absolute sustainability of their products or services.

In such a scenario, finding a space for communication that operates on the plane of reasonableness and considers knowledge as the fundamental basis of action seems to be an idea now faded away or perhaps never truly arisen.

The easiest and most direct path seems to be the one taken by those who loudly voice their opinions to gather convenient consensus with simplicity and immediacy. Throughout these years of commitment to the theme of environmental impact and the relationship with the social environment, we have always considered the idea that only through an honest analysis of our organization and how it operates could we have a concrete starting point for deciding how to act. Far from being obscurely silent and contrary in principle to any form of mystifying reality, we have always moved forward using the method of objective analysis to thoroughly understand who we are, how we operate, and ultimately provide the market with certain and certified information.

We have achieved this thanks to the solidity of our network of relationships with the market, upstream and downstream of our factory. A value chain built over decades of work, which now allows us to obtain from our partners all the information we need to guarantee full transparency of our production process, in compliance with the standards imposed by international regulations that govern the relationship between producers and consumers.

Knowing to react responsibly is not just a marketing slogan devised to convince our audience of the goodness of our intentions. Instead, it is a simple and immediate formula to always remind ourselves of the value of a method that, if practiced systematically, leads to the most important result: evolution. It is the exact opposite direction to which a blind and often vulgar mainstream is leading us, driven by dangerous speculative intentions, with which we do not identify and from which we distance ourselves, choosing to ascend towards the summit not necessarily by the most direct route, but the one that ensures those following us a more complete experience of exploration and knowledge.

The project BEHIND THE LABEL and the CARBON FOOTPRINT CALCULATIONS presented in this new report on responsible action are the materialization of our understanding of the path towards a necessary transition, to be envisioned as the result of a broad and shared vision that, setting aside unnecessary opposition or harmful speculation, reasons for the common good and the real benefit of progress and the well-being of future generations.

PAOLO BORDIN
CHIEF EXECUTIVE OFFICER AKU ITALIA SRL

Pol Mi

# **AKU AT A GLANCE 2022**



445.000

PAIRS PRODUCED

80%

**EXPORT** 



444 EMPLOYEES

103
FROM 8 DIFFERENT COUNTRIES





4

PLANTS IN EUROPE

MONTEBELLUNA, ITALY CLUJ NAPOCA, ROMANIA SIMANOVCI, SERBIA VRANJE. SERBIA

29.500.000€

**TURNOVER** 

**12** 

PARTNER MOUNTAIN HUTS

PARTNER ASSOCIATIONS
AND PROFESSIONALS
ACTIVE IN THE MOUNTAINS



ACCOMPLISHED
THE CARBON FOOTPRINT SYSTEMATIC APPROACH

MORE THAN

83%

OF OUR LEATHER
FROM LWG-CERTIFIED
LEATHER MANUFACTURERS

96%

EUROPEAN RAW MATERIAL SUPPLIERS

**MORE THAN** 

90%

ITALIAN RAW MATERIAL



# REDUCED ENERGY CONSUMPTION PER PRODUCED PAIR

ITALY: **-3**%

ROMANIA: -16% SERBIA: -2%

40%

OF THE CONSUMED ENERGY AT AKU'S HEADQUARTER IN MONTEBELLUNA ORIGINATES FROM RENEWABLE SOURCES

# SECOND LIFE



FOR 8112 CARDBOARD BOXES THROUGH REUSE FOR SHIPPING



6



# WHO WE ARE

AKU is a family business, managed by the Bordin family, founder of the company, with a staff of young collaborators, with an informal style, passionate about the product and its environment of use. In the transition from the artisan dimension to the current industrial configuration, AKU has been able to maintain an organizational and managerial balance at the base of which respect for people and the value of relationships are always found.

The company structure is now divided into 3 production units owned and managed directly with AKU personnel for a total of over 400 employees.

# OUR HISTORY - A FAMILY OF SHOEMAKERS

The history of AKU begins in a shoemaker's workshop in a district of Montebelluna, the small Venetian town that in over a century has built and spread the myth of Italian sports footwear all over the world.

Galliano Bordin, founder of the company, is the son of shoemakers and since he was a child, he acquired experience first in the repair and then in the construction of footwear. Almost in every family of the small Venetian town, hides are cut, uppers are sewn, soles are attached. Almost everyone, in one way or another, is part of this production specialization that generates artisan workshops and small businesses destined over time to become the most prestigious brands at an international level in various sports fields, but in particular for mountaineering, the trekking, alpine skiing and cross-country skiing.

We are often asked about the origin and meaning of the name AKU.

AKU is the name of a benevolent spirit told in one of the many legends that populate the imagination of the natives of Easter Island. A benevolent and wise spirit that protects the earth and its inhabitants, mentioned in the book The Secrets of Easter Island by the great Norwegian adventurer Thor Heyerdahl.

The idea of using this name as a brand dates back to the early 90s when Galliano Bordin, founder of the company, at the beginning of the export to Europe of the first trekking shoes, had to decide to abandon the first **DINSPORT** company name and logo, in contrast to the registered DIN trademark of the Deutsches Institut für Normung.

The idea of using AKU, a short and easy to remember name, with a meaning so close to the sensitivity of the company and future users of its products, was then liked.

The creation of the AKU brand, in the early 1990s, coincides with a decline in the popularity of cross-country skiing and with the corresponding growth in interest in hiking. Galliano Bordin is a craftsman with an innate innovative vocation, constantly looking for new technical and production solutions, to offer the market truly unique proposals.

Based on this thrust, the idea of a shoe was born that marks a real change from the traditional mountain shoe, often heavy and not very comfortable. A technically new shoe, but at the same time capable of expressing a style destined to last over time, creating that ideal combination of design and functionality that only products that are the fruit of creative genius can have.

The first SLOPE is thus produced in the AKU factory in Montebelluna, a very light trekking shoe, with upper in leather and fabric, as colorful as it is at that time, in the first version still branded Dinsport and only later identified by the many Italian enthusiasts with the brand of the mallard, the first graphic icon that will accompany the AKU brand for a long time.

#### Company and product timeline

#### 1983

THE BRAND AKU WAS BORN IN MONTEBELLUNA
THE ITALIAN MOUNTAIN FOOTWEAR HOMELAND
- IN THE '80 THE COMPANY WAS FOUNDED
BY GALLIANO BORDIN AFTER MORE THAN 40
YEARS AKU IS STILL A FAMILY RUN COMPANY.

#### • 1985



#### **SLOPE GTX**

THE FIRST HIKING MODEL WITH GORE TEX MEMBRANE AND EXCLUSIVE PATENTED AKU BREATHABLE SYSTEM AIR 8000®.

#### • 1992



#### **CONERO GTX**

AKU RELEASE HIS FIRST CLASSIC BACKPACKING STYLE. DESIGNED SIMPLE FOR A LONG LASTING COMFORT FITTING AND MARKET LIFE.

#### 2000

#### **CLUJ NAPOCA**

AKU IMPROVES THE PRODUCTION CAPACITY WITH A NEW FACTORY IN ROMANIA.

#### 2004-07

#### THE NEW LOGO

THE DESIGN RESTYLING OF TRADITIONAL LOGO OPENS A NEW CHAPTER IN THE AKU'S HISTORY GETTING AKU INTO A MODERN APPROACH TO ITS BRAND PROFILE.

#### 2006



#### SPIDER KEVLAR GTX

THE FIRST AKU MOUNTAINEERING BOOT WITH A UNIQUE COMBINATION OF BOTH INJECTION AND LASTED ASSEMBLING SYSTEM.

#### 2009

#### AKU ITALIA

COOK FAMILY JOIN AKU. A NEW COMPANY BORN AND AKU MEETS NEW FRIENDS. THE DISTRIBUTION PARTNERSHIP WITH GME STARTS IN GERMANY AND IN FEW YEARS BECOME A SUCCESSFULL STORY.

#### 2014



#### **BELLAMONT PLUS**

THE PLUS SERIE. DESIGNED TO REDUCE THE IMPACT. CHROME AND HEAVY METAL FREE ITALIAN LEATHER. MADE IN EUROPE. LOCAL SUPPLIER, 100 TRACEABLE.

#### 2017



#### **ALTERRA GTX**

THE FIRST AKU STYLE WITH EXCLUSIVE ELICA NATURAL STRIDE SYSTEM TECHNOLOGY, TO ENHANCE FITTING AND STRIDE PERFORMANCES. MADE IN EUROPE

#### LA VAL GTX

THE FIRST MULTITERRAIN AKU STYLE WITH EXCLUSIVE OUTSOLE INSPIRED BY MOUNTAIN BIKE TIRES. DESIGNED AND DEVELOPED IN PARTNERSHIP WITH MICHELIN. MADE IN ITALY

#### **CLIMATICA NBK GTX**

THE NEW HYBRID STYLE SUITABLE FOR TRAVEL,
LIGHT OUTDOOR AND URBAN WITH GORE TEX
SURROUND TECHNOLOGY. THE BEST INTERNAL
COMFORT IN ALL WEATHER CONDITION.

#### 2017

#### **SIMANOVCI**

THE THIRD FACTORY STARTS. AKU BUYS A NEW PRODUCTION UNITS IN SERBIA.



#### PILGRIM GTX COMBAT FG M

AKU WINS THE TENDER FOR THE NEW COMBAT BOOT OF THE UK ARMY AND MOVE ONE STEP AMONG THE LEADING BRANDS IN THE INTERNATIONAL TACTICAL MARKET.

#### 2020



#### MINIMA

DESIGNED TO REDUCE: MINIMA, THE MOST ADVANCED PROJECT IN TERM OF LOW IMPACT DESIGN FOR THE AKU COLLECTION, ACHIEVES ISPO AWARD GOLD 2020 IN THE URBAN OUTDOOR LIFESTYLE CATEGORY AND SETS A NEW STANDARD FOR ITS SEGMENT.

#### **202**



#### **ROCK DFS GTX**

INSPIRED BY THE FIRST AKU'S APPROACH SHOE THE NEW ROCK DFS GTX FEATURES THE EXCLUSIVE DFS DUAL FIT SYSTEM THAT OFFERS 2 DIFFERENT FITTINGS: COMFORT WALKING FOR TO APPROACH DEMANDING TERRAINS, PRECISE CLIMBING WHEN CLIMBING THE DOLOMITES ON BASIC OR MEDIUM DEGREES.

#### 202



#### **SLOPE ORIGINAL GTX**

THE LONG LASTING STYLE SLOPE GTX IS
RELAUNCHED WITH THE SPECIAL VERSION NAMED
ORIGINAL, THAT REPLICATES COMPONENTS AND
COMFORT FITTING OF THE FIRST MODEL CREATED
MORE THAN 30 YEARS AGO. MADE IN ITALY

#### 2022



#### **CRODA DFS GTX**

INSPIRED BY THE INNOVATIVE ROCK DFS
AND SUPPORTED BY OUR PRO USERS
WE'VE ENVISIONED A NEW ERA
OF MOUNTAINEERING BOOTS.
AN AGILE BOOT, LIGHTWEIGHT AND AS
COMFORTABLE AS A ROCK BUT SUITABLE
FOR MOUNTAINEERING. OUR PRO USERS
WERE SHOCKED BY THE FACT THAT IT IS SO
COMFORTABLE THAT THEY WANT TO WEAR IT
EVERYDAY AND ALL DAY LONG, BUT WHILE ON THE
WALL IT IS EXTREMELY PRECISE AND STABLE.
AN ALCHEMY OF ELICA, DFS, ROCK LAST, KEVLAR,
LITEBASE AND AKU UNIQUE CRAFTMENSHIP FOR
AN INNOVATIVE WAY OF GOING
INTO THE MOUNTAINS

# **AKU TODAY**

AKU is still a family business, managed by the Bordin family, founder of the company, with a staff of young collaborators, with an informal style, passionate about the product and its environment of use. In the transition from the artisan dimension to the current industrial configuration, AKU has been able to maintain an organizational and managerial balance at the base of which respect for people and

the value of relationships are always found. The company structure is devided into 3 production units owned and directly managed by AKU.

The company's head office and production plant is located in Italy, in Montebelluna, a second factory owned is in Cluj Napoca, Romania, and two others in Simanovci and Vranje, Serbia.

445.000

PAIRS PRODUCED IN 2022



# CLUJNAPOCA ROMANIA

PLANT BORN IN THE EARLY 2000s
Production plant



# MONTEBELLUNA ITALY

HISTORICAL HEADQUARTERS OF THE COMPANY

R&D

Production "Made in Italy"

Administrative headquarter

Customer service and logistics



# SIMANOVCI SERBIA

PLANT ACQUIRED IN 2018 Production plant



# VRANJE SERBIA

NEW PLANT ACQUIRED IN 2022 Production plant NUMBER OF EMPLOYEES:

TOTAL

444

WOMEN

330

MEN

114

AVERAGE AGE

45,4

COUNTRY OF ORIGIN:

**SENEGAL** 

**SWITZERLAND** 

KOSOVO

**ROMANIA** 

SERBIA

**GERMANY** 

GHANA

**UKRAINE** 

**ITALY** 

**ITALY** 

TOTAL **56** 

WOMEN / MAN

19/37

AGE AVERAGE 46.4

ROMANIA

TOTAL 188

WOMEN / MAN

152/36

AGE AVERAGE 45.5

SERBIA (Simanovci & Vranje)

TOTAL 200

WOMEN / MAN

160/40

AGE AVERAGE

44,9



# **WOMEN AT AKU**

**AKU's plant in Cluj Napoca, Romania** is run by an entirely female management team, and operates with a 99%-female office staff and with 80% of the factory workers made up by women.

- >80% FEMALE FACTORY WORKERS
- 100% FEMALE OFFICE STAFF
- 100% FEMALE TOP MANAGEMENT





# **OUR VALUES**

# The value of tradition, the value of the product

AKU has always testified to an indissoluble bond with the Italian artisan manufacturing tradition, from which the profound production experience of its founder Galliano Bordin originates.

A fundamental value in the history of the company, which is found in the high quality of the products, designed to ensure, without compromise, the maximum functional performance in terms of comfort and durability.

# Life, work, adventures in nature - Our world, our inspiration

Over time, AKU's role in the outdoor market has increasingly become the reference brand for adventure and hiking enthusiasts, but with particular attention to the theme of the relationship between man and nature. Mountain farmers, woodcutters, naturalists, refugees, outdoor photographers. These are the natural lovers of AKU, alongside authentic mountain enthusiasts, mountain and hiking guides, mountain rescue technicians, who have always chosen AKU for its ability to combine the required technical performance with a professional product, with comfort. Typical of a shoe to enjoy your free time in contact with nature.

# Sustainability and responsible action - Our commitment

"We feel part of a single ecosystem, social and environmental, we feel responsible for its balance"

This short sentence summarizes the sense of AKU's commitment as a social entity, as well as as an industrial company. A commitment that goes beyond the simple fact of producing outdoor footwear capable of respecting the highest functional performance and which is expressed, in terms of environmental sustainability, in the constant search for innovative design solutions, aimed at containing the environmental impact, to promote the responsible use and reuse of resources, with a view to increasingly focused on the principles of the circular economy.

AKU together with its proper suppliers has an important responsibility to take care of nature and our environment and ensure that all people and animals that are a part of our processes are treated lawfully and in a morally and ethically correct manner.

We aspire to involve and activate people for environmental protection by means of our communication with which responsible use of products and the respect of nature should be promoted.

"We like to think that whoever buys our products is a conscious user of authentic and functional manufactured goods, not simply the end-consumer of stuff. A respectful ethical product, with real value made to last in time."

We all can contribute to a better future, for both the natural environment and the social community.

# **OUR PRODUCTS AND BUSINESS AREAS**

#### AKU as Brand

AKU is the brand of an Italian shoe factory that produces shoes for mountain, hunting and leisure in contact with nature. The technical quality, function and reliability of each individual model are guaranteed by over 40 years of specific experience in the footwear sector, in full respect of the ancient and unparalleled Italian manufacturing tradition.

The range of products has grown over time, taking on the current wide configuration ranging from outdoor, in various declinations, to hunting, integrating for some seasons a special series dedicated to the military sector, a new development front and a new chapter in history.

Every model of AKU is a combination of traditional handcraft experience with modern technical solutions. From the leather selection to the deep research over the comfort fitting and biodynamic engineering: the responsible approach is since ever the main warranty offered by AKU to the end user about reliability of its products.

"Every single model represents a product of absolute excellence, destined to become the irreplaceable companion of your adventures."

## **Product Categories**

# OUTDOOR



Within its OUTDOOR collection AKU offers a range of products for Mountaineering, Approach, Backpacking, Hiking, Fast Hiking, Mountain Inspired and Hunting.

# **PROFESSIONAL**

AKU is the Official Supplier of the Danish Army, UK Army and Swiss Army and other international special forces. Within its PROFESSIONAL collection AKU offers a range of products for workers restoring the environment or people involved in tactical activities.















TACTICAL

ITALY 20% EXPORT 80%

High quality exclusive footwear demonstrates AKU's commitment to seeking design solutions with reduced environmental impact.

AKU products are now at the feet of outdoor enthusiasts in over 40 countries around the world including Europe, North America, Asia and Australia.

EXPORT

The range of products has grown over time, taking on the current wide configuration ranging from outdoor, in various declinations, to hunting, integrating for some seasons a special series dedicated to the military sector, a new development front and a new chapter in history. AKU is an Italian footwear company that has taken many steps forward since it opened.



including our mountaineering, hunting and parts of our hiking collection.



AURAI DFS GTX



CRODA DFS GTX







DOGMA GTX

MONTAGNARD WORK GTX

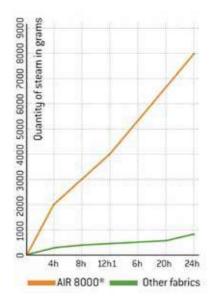
#### AKU technologies

#### **AIR8000**



AIR 8000 is the first technology for the construction of the upper developed and patented by AKU since 1991 to increase the breathability of a mountain shoe.

Laboratory tests carried out by Gore Tex confirm that the upper made with the exclusive AKU AIR 8000® system offers a level of breathability up to 11.5 times higher than normal standards. Almost 20 years later, the AKU AIR 8000® system remains one of the most advanced technologies to ensure excellent breathability of the mountain shoe.



# **ELICA & THE AKU LAST Biodynamic Comfort**



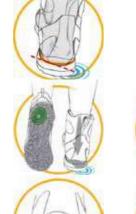
The creation of a last is a long and accurate process in which AKU's long experience in the design and production of high quality footwear is condensed. The identification of the last in relation to the morphology of the foot represents one of the basic criteria in choosing the right shoe.

The original AKU shape is the matrix, the result of constant research on plantar anatomy. From it, thanks to specific adaptations, the different types of shape and fit derive, which vary in relation to the different models and the specific function of use of the product. Elica is an integrated system consisting of LAST - ASSEMBLY INSOLE - MIDSOLE - TREAD that follows the anatomical shape of the sole of the foot and follows the normal inclination of the heel and forefoot. The functional value of the ELICA technology has been certified by specific tests performed at the CERISM Centro Ricerche Sport Montagna laboratories of the University of Verona. The tests show that a more homogeneous distribution of foot pressure during the support and push phases favors comfort by reducing impact and effort during the walk.



The support phase

The propulsion phase









A detailed overview of AKU footwear manufacturing and technologies can be found in the 2022 released AKU TRAINING BOOK - TECHNICAL HANDBOOK FOR OUTDOOR FOOTWEAR EXPERTS

**TRAINING BOOK** 



#### **IMS - Internal Midsole System:** comfort, dynamics and precision

The IMS consists of a layer of soft EVA applied to the lasting board. It is a special lasting board construction system, designed by AKU with 3 different versions perfectly adapted according to the variable needs different types of footwear entail:

The IMS1 - Precise Comfort combines the Internal Midsole System with an external midsole in a thin microporous EVA. In this way, thanks to the low profile of the midsole, it provides maximum sensitivity, precision and reliability to ensure a correct and instant reaction to uneven terrains.

The IMS2 - Agile Comfort couples the IMS to a thicker midsole in moulded EVA or moulded PU in order to create the right balance between ground control and shock absorption.







WHO WE ARE

The IMS3 - Smooth Comfort couples the IMS with an exoskeleton construction of medium density polyurethane for stability and protection and a lightweight PU inner part which provides cushioning shock absorption and high compressive strength in addition it features a lightweight and durable TPU heel cap and a rubber toe cup for a perfect for of the crampon.

#### **DFS - DUAL FIT SYSTEM** Double the comfort, double the performance



The DFS lacing system is a technical innovation designed by AKU to provide a customised and precise fit. The comfort walking lacing system guarantees optimum comfort during the approach. When combined with the precise climbing lacing system, the foot is perfectly wrapped, offering maximum support for climbing or scrambling.











COMFORT WALKING

A traditional lacing system comprising four anchor points that effectively secure the instep, whilst allowing maximum volume at the forefoot.

PRECISE CLIMBING

The fast lock lanuard reaches through three anchor points, encasing the forefoot and thereby reducing volume at the shoe's tip.

#### DYNAMIC FIT TECHNOLOGY Secure comfort



DYNAMIC FIT is the new AKU technology that dynamically adapts the boot's heel tension with your natural stride to increase comfort and stability.



#### **PROPULSION**

When stepping forward, pressure is applied to a set of laces connected to the freefloating webbing located behind your heel. The heel counter pulls forward, locks your heel into place and reduces your heel slip.



#### **LANDING**

Landing on your heel releases pressure on the laces and relaxes the boot's heel webbing. This movement allows the boot's heel counter to bend backwards together with your Achille's tendon and to reduce pressure on your legs.

# OUR GOVERNANCE SYSTEM & ORGANISATION

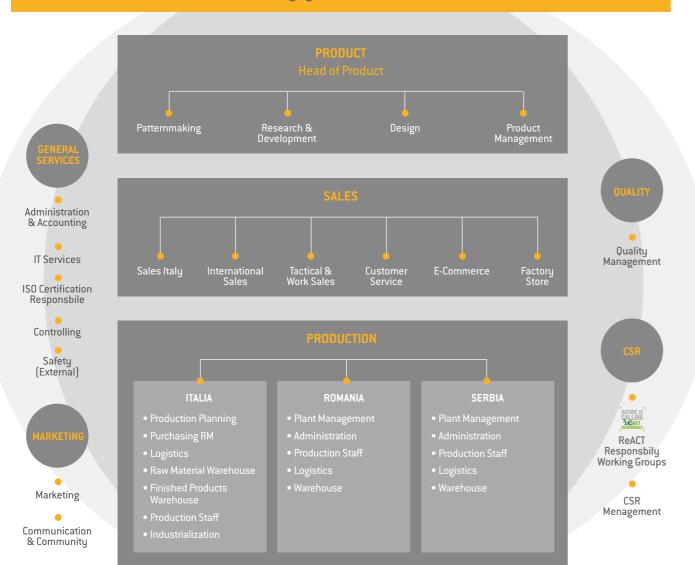
AKU has always testified to an indissoluble bond with the Italian artisan manufacturing tradition, from which the profound production experience of its founder Galliano Bordin originates.

A fundamental value in the history of the company, which is found in the high quality of the products, designed to ensure, without compromise, the maximum functional performance in terms of comfort and durability.

#### **General Organisational Chart**

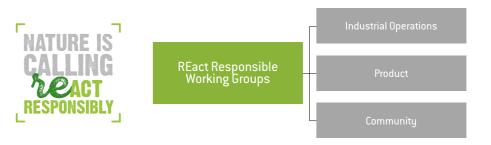
#### MANAGING BOARD

Managing Director & President



# REact Responsible Working Groups Organisational Chart

Since 2011 3 groups within the company have been set up for the management of initiatives concerning the PRODUCT, INDUSTRIAL OPERATIONS and COMMUNITY, with the aim of operating on certain macro issues such as safety, circular economy, and social solidarity. Over time, several projects have been developed, the most significant are listed below. (See "WHAT WE DO")



# **CERTIFICATIONS**









AKU Italia implemented and maintained Quality,
Safety and Environmental Management Systems
complying to UNI EN ISO 9001:2015, UNI EN ISO
14001:2004 standards and ISO 45001:2018 (former
OHSAS 18001:2007)Occupational Health and Safety
Management System Certification.

ISO 9001: The Quality Management System
Certification is defined as the international
standard that specifies requirements for a quality
management system. We use the standard to
demonstrate our ability to consistently provide
products and services that meet customer and
regulatory requirements.

ISO 14001: AKU Italia Environmental Management System has been adapted to UNI EN ISO 14001:2004 standards, in order to guarantee qualitative prescriptions compliance and a high sustainability profile, thanks to the propensity to standard technical solutions.

ISO 45001: Through the Occupational Health and Safety Management Systems Certification AKU guarantees to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its OH&S performance.

ISO 14067: According to the Carbon Footprint Systematic Approach: Carbon footprint of products norm, principles, requirements, and guidelines for the quantification and reporting of the carbon footprint of a product (CFP) are specified, in a manner consistent with International Standards on life cycle assessment (LCA) (ISO 14040 and ISO 14044).

In 2022 AKU reported its Carbon Footprint of products according to ISO 14067 starting with the lifestyle model Bellamont Plus.



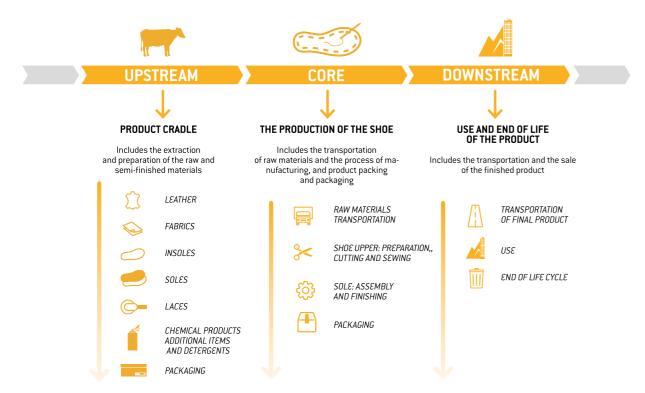
#### LEARNING TO REACT RESPONSIBLY

The climate emergency, related to CO2 emissions into the atmosphere, is a topic that AKU tackles with a conscious approach to its production activity. This is why we quantify, through a certified calculation process, the CO2 equivalent emissions in all the life stages of our footwear: from production to transport, up to disposal at the end of their life. Because we are sure that knowing is the fundamental prerequisite for reacting correctly and responsibly.

Calculated and certified the carbon footprint product: we are the first in the outdoor footwear industry.

The production cycle of a mountain shoe is a complex process, consisting of a system of companies that together form a long supply chain, divided into suppliers of raw materials, semi-finished products and services.

The analysis of this process is the necessary prerequisite to know the real level of environmental impact of the finished product and to define an adequate reaction strategy.





It is on the basis of these simple but fundamental considerations that AKU has decided to be the first to undertake, in the outdoor footwear industry, the certification project for the calculation of emissions of carbon dioxide of their models.

The purpose of the initiative was to look better inside oneself, to know in-depth every aspect of its production organization, from design to the end of life of the product and understand how this process impacts on the environment, with particular reference to CO2 emissions, the greenhouse gas that more than any other is today responsible for global warming and the resulting climate emergency.

#### A precious data, certified by the third-party BUREAU VERITAS

The project, guided by ISO standards, required the collection of a large and detailed range of information, intended for the creation of a database which today allows AKU to define exactly the quantity of CO2 emitted for the production and distribution of each individual model.

A precious data, certified by the third-party BUREAU VERITAS and made public through the platform CARBON FOOTPRINT ITALY which for now concerns the Bellamont Plus model, but which in the future will also be available for other models of the AKU collections.

A commitment in terms of transparency towards the end user and an analysis initiative that will allow our company to act on the critical factors of the production process, working on the constant reduction of the environmental impact, with the aim of achieving climate neutrality.

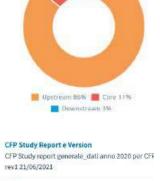
#### **BELLAMONT PLUS**



GHG values included in the CFP



Registra	ation of
021/09	/15
DU	
I pair of	shoes including primary packaging
CFP (kg	CO2e/DU)
25,46	
Referen	ce Year
2020	
System	Boundaries
From cra	adie to grave



25,46 kg CO2e

GHG Values	CFP Values (kg CO2a/DU)
Not fossil GHG emissions and removals	17,55
Biogenic GHG emissions	6,23
Biogenic GHG removals	1,87E-04
GHG emissions and removals resulting from dLUC	1,68
Aircraft CHG emissions	2,26E-04

Production Plants Included
Montebelluna (Italy), Cluj Napoca (Romania), Simo
Reference PCR
PCR 2013:15 "Leather footwear" version 2.11

Note
Shoes made in Europe
Verified by
Bureau Veritas

Stages Excluded

# CODE OF CONDUCT

We have adopted a Code of Conduct – a binding document that describes the values and principles that we follow, and all our suppliers and business partners are required to read, follow and respect and to further by implementing the values with their respective supply chains.

Our Code of Conduct is based on current international conventions and standards, including:

The United Nations Global Compact

The United Nations Universal Declaration of Human Rights

The International Labour Organisation's Declaration on Fundamental Principles and Rights to Work

The United Nations Convention against Corruption

The United Nations Convention on the Rights of the Child

The United Nations Sustainable Development Goals, in particular:































**PRODUCT** AND COMPONENTS





ETHICAL BUSINESS
BEHAVIOUR

MONITORING, CONSEQUENCES AND AMENDMENTS



AKU puts a particular focus on its specific Animal Welfare Policy, Product Safety and Chemicals Management Policy, Preferred Attributes Chart and its Consumer Products Restricted Substances List.

Find the entire Code of Conduct on the AKU website



# **SUPPLIERS**

Deep-rooted business relationships AKU has always taken care of its business relations with trusted suppliers and maintains long-term, partially historic, relationships with them; with many for more than 20 years. The longest business relationship for AKU has existed for instance with Gore-Tex and Vibram. Since the mid-80s of the last century AKU has collaborated with these trusted, iconic suppliers and is looking forward to the forthcoming years.

> Full supply chain control for all European-made AKU products

100% **INTERNAL** PRODUCT DEVELOPMENT

**100%** DIRECT **MANAGEMENT** OF RAW MATERIAL SUPPLIERS

**CONTROL** OF THE ENTIRE **PRODUCTION PROCESS** 

90% **ITALIAN RAW** MATERIAL SUPPLIERS

# **ADVANCED QUALITY** CONTROL SYSTEM

Raw materials selected on the basis of the highest quality standards and special attention to the issue of environmental impact are the basis of AKU's design and production approach.

In this way, every single model represents a product of absolute excellence, ethically correct, destined to become the irreplaceable companion of your adventures in nature for a long time.

That is why we choose our suppliers very carefully and conscientiously, striving for the highest quality, a responsible approach to the environment and people and long-term business relationships.

AKU together with its proper suppliers has an important responsibility to take care of nature and our environment and ensure that all people and animals that are a part of our processes are treated lawfully and in a morally and ethically correct manner. As we do, also our suppliers must minimise their environmental impact and make continuous improvements in environmental protection.

SRESPONSIBLE WAY

# Supply Chain Mapping 2022



We are proud that our long-lasting relationships with suppliers make AKU's supply chain stable and trusted. Our customer relationships are also characterized by loyal, long-term business relationships. A long-term view and strong relationships, this is a core value of the family-run company AKU.

AKU has always paid highest attention to its choice of suppliers; this is being proven by taking a look at its awarded long-term partners from which AKU acquires highest quality raw material supplies.





# **Leather Working Group**

The global multistakeholder, Leather Working Group (LWG), is a member-led non-profit organization that is dedicated to driving excellence in the leather industry, minimizing the environmental impact of leather production, and challenging industry perceptions, through a suite of tools and ESG certification. LWG is committed to driving improvement across the global leather supply chain, minimizing the environmental impact of leather production as well as inspiring, educating, and challenging its member companies.

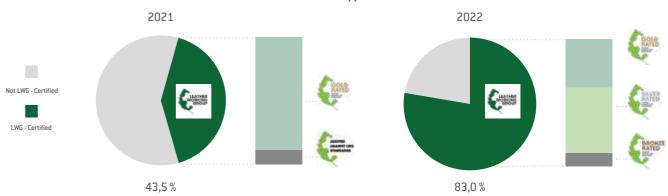
> In 2022 we purchased 83% of our leather from LWG-certified leather manufacturers. 48 % are Gold-Rated, 32 % are Silver-Rated, 3 % are Bronze-Rated.

All our direct Italian leather suppliers and the LWG gold-rated leather supplier for our footwear made in Vietnam are included.

This shows an increase of +39,5% compared to 2021.

We are on a determined path to have all the leather used in the production of our shoes LWG certified in the upcoming years.

#### LWG-certified leather suppliers in 2022



#### Dani – Leather

For years Dani has chosen to be a sustainable company, recognising in its social-environmental responsibility the principles that guide its business operations, aimed at developing the company, those who work for it and protecting future generations. The ethical and strategic value of social-environmental responsibility is declared at Dani through research projects, innovation, inclusion and redistribution. Dani is multiple certified, most importantly for the quality of their products, the reliability of their processes and their environmental compatibility. For years Dani has chosen to be a sustainable company, recognising in its social-environmental responsibility the principles that guide its business operations, aimed at developing the company, those who work for it and protecting future generations. The ethical and strategic value of social-environmental responsibility is declared at Dani through research projects, innovation, inclusion and redistribution. Dani is multiple certified, most importantly for the quality of their products, the reliability of their processes and their environmental compatibility. Dani provides AKU with detailed information about the traceability of the rawhide traced back to the nations of provenance for all Dani leathers purchased by AKU.

Certifications: Gold Rated - Audited Against LWG Standards, EPD (ISO 14025), Der Blaue Engel, Leather from Italy full cycle (UNI EN 16484), Carbon Footprint of Product (ISO 14067: 2018), ICEC certification of raw material traceability recovering hides from the food chain, OEKO-TEX leather standard, UNI 11427 ECO PELLE (leather with a low environmental impact)

#### FL Leather – Leather

In 2020 the company obtained the first Designation of Origin Certification for finished leather in compliance with UNI EN 16484:2015 "Determination of the origin of leather production". The company guarantees its customers that the qualifying phases of the tanning process have been carried out in Italy, thus also ensuring the stylistic and innovative content, as well as the state-of-the-art technology and respect for the environment that characterise Italian production.

Certifications: FL Leather is part of the LWG and has obtained the prestigious Silver Medal in 2022. Silver Rated – Audited Against LWG Standards, ICEC STANDARD UNI EN 16484:2015 requirements for the determination of the origin of leather production (Only Italian Leather)

# WHO WE ARI

#### **VESTA** – Leather

Vesta Corporation has always been committed to research to ensure not only the quality of our products, but also the safety of our workers as well as the protection of the environment that surrounds us and the sustainability of the production process.

The company guarantees the traceability of the leather used for the realization of its articles.

In line with an increasingly global search for market transparency, the company has obtained the ICEC TS SC410 certification, which attests knowledge of the countries of origin of the raw materials, slaughterhouses, and farms from which they come.

<u>Certifications:</u> VESTA is LWG certified and has obtained the LWG Bronze Medal in 2020.

Bronze Rated-Audited Against LWG Standards, ICEC TS SC410 certification for traceability of raw materials

#### **Emmedue** – Leather

All products manufactured by the CONCERIA EMMEDUE are guaranteed by the professionalism and experience with which the Marana family and co-workers are present in the entire production process.

The company was audited against the LWG Standards through the Environmental Stewardship Audit in 2020.

Certifications: Audited Against LWG Standards

#### Mastrotto – Leather

Since 2017 Gruppo Mastrotto's commitment to environmental sustainability has been confirmed with an award for conformity to the LWG protocol, conceived and promoted on an international level by the Leather Working Group which endeavors to promote best practices in the tanning industry through the alignment of ethical, environmental and safety priorities. Furthermore, Mastrotto proves the ecological quality of its produced leathers through the German government certification "Der Blaue Engel". Gruppo Mastrotto's leathers are produced with the purpose to minimize their impact on the health and the environment during the production phase as well as in the recycling and disposal phases.

<u>Certifications:</u> Gold Rated – Audited Against LWG Standards, Der Blaue Engel, Leather Naturally Member

#### Montebello – Leather

Since 2009 the tannery Montebello has been continously LWG certified and is currently certified wit the LWG Silver Standard.

The company adopts a strict integrated management system that controls all the processes linked to safeguarding the environment, and health and safety at work. The tannery holds important certifications, proof of less polluting production for sustainable development and optimisation of processes with a view to continual improvement of the quality it delivers and the wellbeing of its employees.

<u>Certifications:</u> Montebello is LWG certified and has obtained the Silver Medal. Silver Rated - Audited Against LWG Standards, ICEC Company Sustainability Certification, UNIC Code of Conduct and Social Accountability, 100% renewable energy

#### **AN HAI HUA FENG** – Leather

The Chinese leather supplier of our Vietnamese finished footwear supplier has obtained and maintained the LWG Gold Standard since 2014. The leather manufacturer is based in the Chinese Fujian Province and produces LWG Gold certified split leather.

This prooves the responsible leather sourcing in AKU's supply chain which can be traced back to sub-suppliers.

Certifications: Gold Rated - Audited Against LWG Standards

# The majority of our synthetic fabrics' suppliers feature environmental certifications among which the most notable are:



The Global Recycle Standard (GRS) certifies products made using materials sourced from recycling and manufacturing activities. It promotes products made from recycled materials in line with social and environmental criteria across the entire production cycle.



The Standard 100 by OEKO-TEX® is a global independent and uniform system of control and certification for raw materials, semi-finished and finished products in the textile sector at every stage of the production process, as well as for any associated materials used. The tests are carried out with the aim of creating products without harmful substances.



The bluesign® standard is a tool for verifying a company's commitment to sustainable textile production, including the use of chemicals. bluesign® certified products are made responsibly in respect to the environment and the safety of workers throughout the supply chain.



Der Blaue Engel is the prestigious German environmental label that attests to the high environmental performance of leather and fabrics and is issued by the German Ministry of the Environment to those products whose life cycle is characterized by a reduced environmental impact.

# PERFORMANCE AND FINANCIAL RESULTS

#### Financial Results 2022

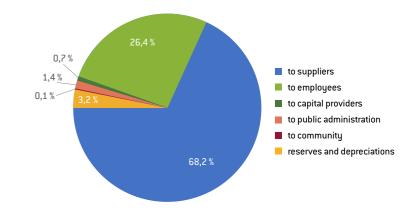
After a constant growth over the last years, AKU could attain a double-digit increase in turnover of + 40 % in 2022.

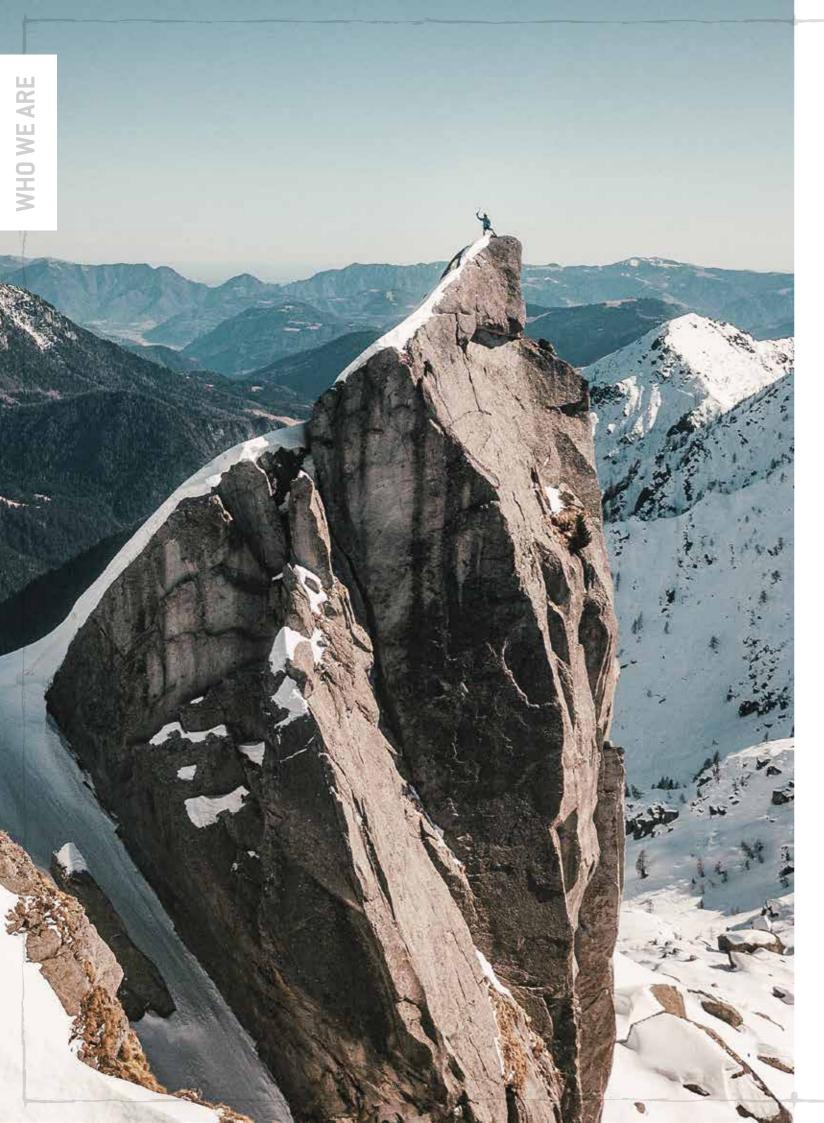


#### Economic Value in €

Economic value generated	30.486.874
net revenue	29.501.715
others	985.159
Economic value distributed	29.917.367
to suppliers	20.403.283
to employees	7.909.278
to capital providers	205.428
to public administration	417.709
to community	19.300
reserves and depreciations	962.369
Economic value retained	569.507

#### Direct Economic Value Distributed to Our Stakeholders





# WHAT WE DO

AKU constantly strives to improve the performance in terms of limiting the environmental impact of its activities and not only with regard to the product, but in more general terms about the industrial organization and the relations with the community.

## Timeline AKU Act Responsible Actions

#### 2010



First awareness campaign on the correct disposal of waste.

#### 2011

#### ACT RESPONSIBL

Birth of the RESPONSIBLE ACTING project. Creation of Product, Operations and Community groups.



#### RECYCLING PROGRAM

100% packaging in recyclable material and free of adhesives.



#### **ENVIRONMENTAL CONSERVATION**

Membership of EOCA European Outdoor Conservation Association - European association of outdoor companies committed to environmental protection.

#### 2012



#### RECYCLING PROGRAM

Management of recycling of raw materials packaging.

#### 2013



#### STIFTUNG WARENTEST

The German consumer protection foundation judges the Trekker Lite GTX model as the trekking shoe with the best performance and the lowest level of pollutants on the German market.

#### AKU AGAINST MICROPLASTIC

Elimination of heat shrinkable plastic in packaging processes.



#### RECYCLING PROGRAM

Adoption of the new VIBRAM tread compound derived from a recycling process.

#### 2014



#### DESIGNED TO REDUCE

Design of the exhibition stand in wood of local origin, untreated, with reduced energy consumption and entirely free from disposable plastics.



#### DESIGNED TO REDU

100 & pop material free from petroleum substances.

#### 2015



#### ENVIRONMENTAL CONSERVATION

ISO14001 environmental certification.

#### outdoor PAPROS

# Outdoor Industry Award Italy

Outdoor Industry Award Ital for the best environmental protection project.



#### AKU AGAINST MICROPLASTIC

100% paper adhesive tape for shipping goods packaging.



#### DESIGNED TO DEDITOR

Production of BELLAMONT PLUS, the first footwear with low environmental impact with the use of DANI - ZERO IMPACT leather, free from chromium and with CO2 emissions of the production process entirely compensated.

#### 2016



#### ENVIRONMENTAL CONSERVATION

Creation of Restricted Substances List based on SATRA



#### SOCIAL COMMITMENT

Joining the It's Great Out There program to promote initiatives aimed at encouraging the practice of physical activity, sports and leisure in contact with nature.

#### 2017

# EPD \*

#### NVIRONMENTAL CONSERVATION

EDP Environmental Product Declaration - Certified environmental impact declaration for the Bellamont Plus model, the first footwear on the outdoor market to achieve this goal.



#### RECYCLING PROGRAM

Adoption of recycled PET and Dyed solution fabric for lifestyle / multiterrain models.



Support to the ICE MEMORY project for the study of the climate emergency.

#### 2018





#### DESIGNED TO REDUCE

Launch of the MINIMA project, footwear developed with the aim of minimizing the consumption of materials and energy, maximizing the use of elements from recycling processes. In 2020 MINIMA is awarded with ISPO AWARD GOLD in the urban outdoor lifestyle category.

#### SOCIAL COMMITMEN

Intertek Achivment Award for AKU Simanovic plant - Serbia related to health, safety standards and production process management system.

#### 2019

#### AKU AGAINST MICROPLASTIC

100% paper labels on packaging.



#### ENVIRONMENTAL CONSERVATION

100% FSC paper for communication materials.

#### 2020



ENVIRONMENTAL CONSERVATION
AKU is part of the EOG
Climate Action group.



#### ENVIRONMENTAL CONSERVATION

100% LED light sources in the AKU plant in Montebelluna.



#### DESIGNED TO REDUCE

100% recycled GRS certified laces for AKU direct production footwear.

#### ENVIRONMENTAL CONSERVATION

100% compostable cups for coffee break.

#### 2021



#### ENVIRONMENTAL CONSERVATION

100% water-based glues for assembling shoe uppers of direct AKU production.



#### ENVIRONMENTAL CONSERVATION

Carbon Footprint Systematic Approach certification for the process of calculating the CO2 emissions of each individual model



#### SOCIAL COMMITMENT

Activation of the Outdoor 4ALL inclusion project. Collaboration with Disabilincorsa Association.

#### 2022



#### **ACT RESPONSIBLE**

Launch of the project BEHIND THE LABEL for transparency on the origin of the product and all its components in cooperation with the supply chain.

#### ACT RESPONSIBLE

Publication of the Code of Ethics.

#### **ACT RESPONSIBLE**

Publication of the Sustainability Report 2021.

#### SOCIAL COMMITMENT

Support for the Italian Alpine Club's project for adapted hiking for people with disabilities.



# **PRODUCTS**

At AKU the research for new elements to improve the reliability of its footwear is constant.

As in the early days, we took up and improved the art of Italian manufacturing, so today we combine quality and environmental responsibility.

#### **Animal Welfare**









In our Code of Conduct we emphasize that Animal Welfare is one of the focus topics for AKU all along our supply chain.

"We do not tolerate any form of animal mistreatment, and we support animal welfare and that all animals are treated with respect and have the right to a life in dignity."

Therefore, we have elaborated an animal welfare policy with which all suppliers must comply.

This animal welfare policy highlights that breeders and all parties handling the animals must not only follow national and international laws but should adhere to their Five Freedoms defined by the EU Farm Animal Welfare Council/World Organisation for Animal Health (OIE). The five freedoms are:

Freedom from hunger and thirst

Freedom from discomfort

Freedom from pain, injury and disease

Freedom to express normal behaviour

Freedom from fear and distress

•

#### Creation of the V-Light Family

For the 2022 fall/winter collection, AKU introduced the new V-Light styles: Superalp V-Light, Slope V-Light and Bellamont V-Light. The styles are the first entirely made without leather models in AKU's collection and use RE-PET microfiber made from recycled PET as upper material. Recycled laces and recycled Gore-Tex lining additionally reduce the product line's impact. On top of this, 20% recycled R-EVA microporous midsoles made in Italy were used for Slope V-Light and Bellamont V-Light. The Bellamont V-Light also features 90% petroleum-free N-OIL outsoles by Vibram.

By using RE-PET microfiber instead of suede leather the weight of the shoes and boots could be reduced by - 30%. Vegan-friendly footwear with restricted environmental impact:

57% recycled microfiber upper

Gore-Tex Lining with 99% recycled yarns

Recycled polyester laces













**SLOPE V-LIGHT GTX** 



**BELLAMONT V-LIGHT GTX** 

#### **Preferred Attributes**











For our very responsible choice of suppliers, we have elaborated a chart that outlines AKU's preferred impact attributes, which include voluntary certifications and material types that AKU has determined to be most credible, relevant, and impactful in supporting positive impacts across our supply and production chain. These preferred attributes chart can be found in our code of conduct.

For the selection of raw materials and services AKU will prioritise those suppliers featuring attributes in the categories: Fair and safe supply chains, Chemicals Management, Animal Welfare as well as Climate and Environmental Stewardship.

#### Consumer Health & Safety













AKU is well versed in minimizing and strictly regulating the use of chemical substances in its products to ensure consumer health and safety and to minimize the impact on the environment. Multiple continuous projects are led in order to set up stringent requirements, monitor chemical residues and encourage our supplies' transparency.

#### Product Safety and Chemicals Management Policy & RSL

In its Code of Conduct AKU states that all components and supplies must be free from chemical substances that may be harmful to humans and the environment. AKU therefore disposes of a stringent Product Safety and Chemicals Management Policy and provides its raw material suppliers with a Restricted Substances List which all must comply with.

AKU strictly follows its RSL based on restricted hazardous substances under REACH. This allows AKU to, besides our consumers' health and safety, also assure health, safety and protection of AKU employees in production and the warehouse.

## **Chemical Spot Checks**

To assure that its products are compliant with all chemical regulations AKU makes its materials and products be tested by a chemical laboratory. AKU uses a Restricted Substances List to define which hazardous substances must not be present on the product and what the permitted limits are. Random chemical spot checks are conducted in a regular manner on products of collection categories considered to have the highest risk of non-compliance and risk of chemical residues based on an internal evaluation to verify suppliers' compliance. The most recent test results from 2021 confirm that the products tested comply with AKU's RSL, are free from hazardous substances and do not exceed the permitted limits.

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**SUPERALP V-LIGHT GTX** 



# Dani Zero Impact Leather









For the leather lining of Zero Impact models, AKU uses Dani Zero Impact Leather. -5 % environmental impact, metal free, CO2 compensation through reforestation.

Tanning/retanning/dyeing/finishing are carried out without the use of heavy metals.

Extremely short supply chain: Raw supply chain shorter than standard, thanks to direct supply from slaughterhouses (no intermediate storage and salting for conservation)

Upcycling waste: Fat from initial trimming phase, recovery of hairs and of proteins from shavings and offcuts. Greater efficiency in recovery efficiency data are linked to the recovery of by-products.

Elimination of sulphide and hydrogen sulphate during the beamhouse phase

Vegetable extracts: Tannins from vegetable extracts can be used in the retanning phase

Environmental Impact: -5% Reduction of the environmental impact according to the LCA method

Clean water: The end-of-production waters are qualitatively better (reduced chemical components), thanks to the selection of products that are used and the effectiveness of the process in the several phases

CO2 compensation: The CO2 emitted for production is compensated through reforestation projects based on the Carbon Footprint of Product certification.

Biodegradability: Twice as biodegradable as traditional product



# Elimination of PFAS in AKU products

The per-and polyfluoroalkyl substances (PFAS) are a group of chemicals used to make fluoropolymer coatings and products that resist heat, oil, stains, grease, and water. The so called "forever-chemicals" can mostly be found in durable water repellency (DWR) treatments commonly used in outdoor apparel and footwear contain Per- and Polyfluorinated Substances.

These toxic chemicals are a concern because they:

do not break down in the environment

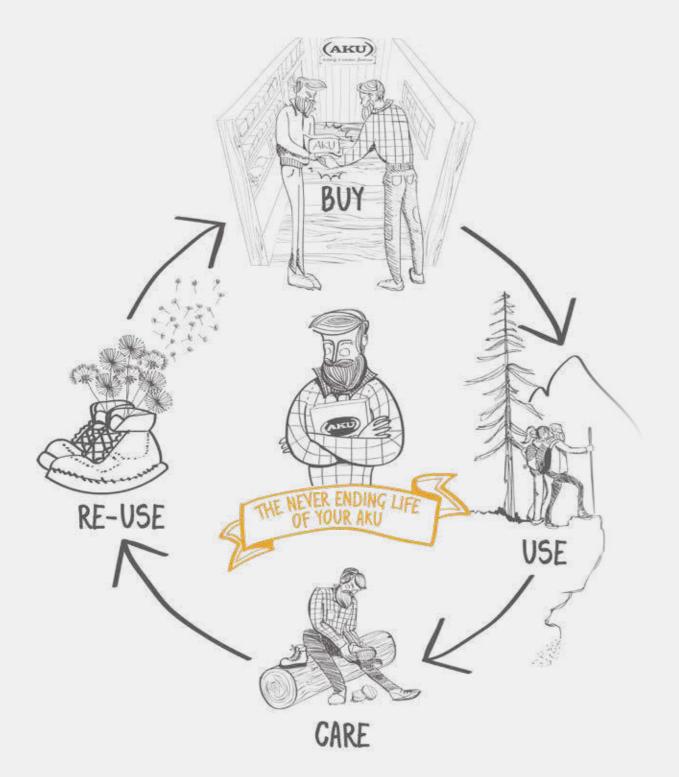
can move through soils and

build up (bioaccumulate) in fish and wildlife

PFAS are found in rivers and lakes and in many types of animals on land and in the water.

The pollution of the environment and the danger it poses to nature, humans and animals speaks against the principles of AKU. Therefore, and in order to meet the requirements of our customers, retailers and the legal regulations, we have conducted a supplier screening to define a current state of PFAS use in all materials used, in order to be able to react to this situation within 2023. As part of this, all raw material suppliers whose materials could contain PFAS were identified and contacted. This will help to define a clear procedure for the use and replacement of the materials in 2023.

> This will guarantee that all materials used in the production of AKU outdoor footwear are PFAS-free starting with the Spring/Summer 2025 collection.











#### **Resoling Service**

For many of its models in the collection, AKU offers the resoling service at its Montebelluna plant. Consumers receive all necessary information at their AKU dealer.

# Recycled materials for all Vietnam-made products

Ortholite Hybrid insoles made of 35% recycled material and 20% recycled fabric lining are used for all Made in Vietnam models.

#### Recycled EVA in midsoles

With its Bellamont line AKU first introduced recycled material for the midsole component. For this step AKU has collaborated with the local supplier Friul Rubber. For them it was a first time project to include waste from their own production for the manufacture of midsoles with recycled compounds. It is the story of a precious partnership through which AKU together with its supplier could improve the use of recycled compounds through a shared evolution.

#### **Gore-Tex laminate with** recycled yarns

In some models like the Bellamont and the V-Light family, AKU uses GORE-TEX laminate with recycled yarns to enhance circular production, where small steps can make a big difference.

#### **Recycled laces**

All EU-made products are featured with laces out of recycled polyester

40

41

# Transparency & Reduced Impact













# Carbon Footprint of Product Systematic Approach - CFP

The climate emergency, related to CO2 emissions into the atmosphere, is a topic that AKU tackles with a conscious approach to its production activity. This is why we quantify, through a certified calculation process, the CO2 equivalent emissions in all the life stages of our footwear: from production to transport, up to disposal at the end of their life. Because we are sure that knowing is the fundamental prerequisite for reacting correctly and responsibly.

Calculated and certified the carbon footprint product; we are the first in the outdoor footwear industry. 2022 AKU released the first results as presented with the example of Bellamont Plus.

#### **Minima**

Less waste, less consumption, less impact on the environment: DESIGNED TO REDUCE Minima. AKU's top sustainable model for reducing environmental impact, which won the prestigious ISPO AWARD GOLD at ISPO 2020. Minima is the first and only shoe on the outdoor market where the upper and lining are made entirely from Zero Impact® leather, obtained through an environmentally friendly tanning process without chrome and heavy metals.

In line with the responsible commitment of the AKU philosophy, the design of the shoe has been conceived to reduce the waste of leather in production by reusing it in different components of the product, while the CO2 emissions generated throughout the life cycle of the Minima are offset by supporting United Nations Framework Convention on Climate Change (UNFCCC) initiatives.

#### Introduction of the Nativa Canvas

In 2022, the new Nativa Canvas has joined AKU's collection. This model has a reduced environmental impact thanks to its responsibly choosen low-impact components and its local production.

Recycled polyester laces

Recycled canvas upper

LWG certified suede leather

Coco-latex-bamboo footbed

Vibram Eco-Eva midsole

100% traceable components

Made in EU



#### **BEHIND THE LABEL - Components Traceability**

For models made in the EU, AKU provides its customers with a fully transparent traceability chart of all raw materials used, providing the country of origin. The lists showing where the main components of the specific products are purchased are made available on AKU's website. The means of transportation from the supplier to the production plant are traced to calculate their impact.

> For the future AKU wants to put a more important focus on traceability and the accessibility to transparent information.

With the newly planned BEHIND THE LABEL project, AKU is giving a detailed and deeper insight into the supply chain and the personal stories of the long-standing suppliers of its high-quality materials. By clicking on the "BEHIND THE LABEL" button on the AKU website, inside the product sheet, it is possible to tracethe origin of every single component of your AKU footwear.





Find out more about BEHIND THE LABEL

#### N-Oil compound

AKU has always been attentive to new technological solutions that are responsible towards Nature. For this reason we decided to use Vibram N-OIL compound as a green alternative for the outsole of our, and your, footwear. It is made with over 90% natural ingredients, while maintaining the Vibram trademark of quality, grip and performance.

100% natural pigments, originating from plants and biological agricultural by-products.

The entire process is carried out without the use of solvents or chemical products. Responsible reasons why AKU chooses Vibram N-OIL for specific products in its collection highlighting the brand's and supplier's constant commitment in the direction of responsible and more sustainable performance products.

This choice is one of many that we at AKU are making in the fight against climate change with a view to responsible production. The Vibram N-OIL compound is an innovative solution by Vibram, designed to offer a green alternative for outsoles.



WHAT WE DO - PRODUCTS

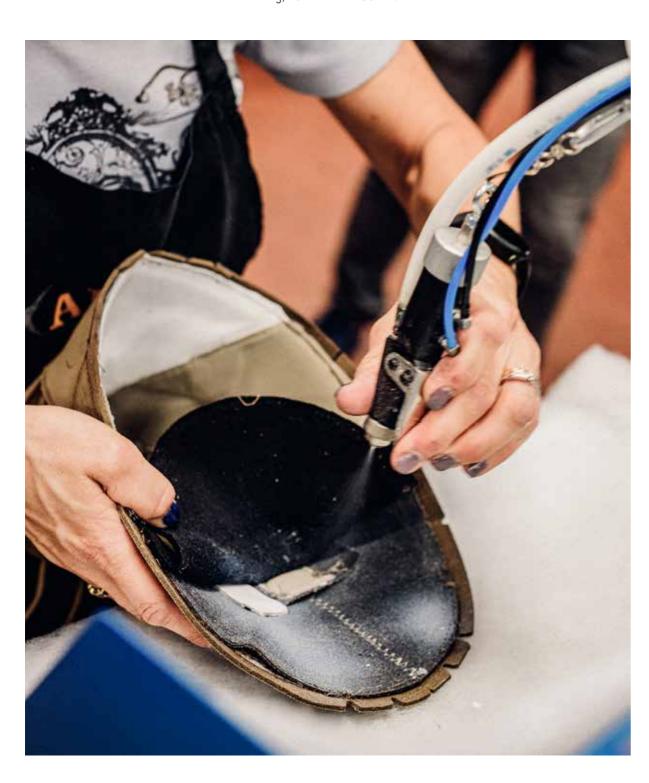
#### New midsole compound with a reduced impact

In 2022, AKU introduced a new midsole out of recycled EVA developed together with our midsole supplier. The sole consists of 20% post-industrial recycled material. It has been developped in close collaboration with our local supplier Friul Rubber. The new recycled midsole is an exclusive AKU feature for the outdoor sector.



#### **Water-based adhesives**

AKU has long since decided to use water-based adhesives for bonding the components of its uppers. This improves the durability and quality of the product and reduces its environmental impact at the time of disposal. By doing so AKU has reduced its use of solvents for the stitching process by - 100 % in all of its 3 production plants in Italy, Romania and Serbia.



# **OPERATIONS**

In order to reduce the levels of energy consumption and emissions, AKU is oriented towards research for greater efficiency of the plants and the rationalization of production processes.

# **Energetic Resources, Savings & Emissions**











#### Renewable energy

More than 40 % of the consumed energy by AKU at its headquarter in Montebelluna is obtained from renewable sources. This is an increase of more than 20% compared to the previous year. Also our Romanian and Serbian production plants are partially provided with renewable energy.

#### **Energy Consumption per Produced Pair**

In all our plants we attained the reduction of consumed energy in kWh per produced pair.

TALY

-3%

SERBIA

-2%

RMANIA

-16%

PER PAIR

In 2022, AKU has initiated a project for the calculation of its Carbon Footprint of Organisation including all our plants in Italy, Romania and Serbia.

This project, which shall be finalized in early 2023, permits AKU to calculate the impact of its entire operative activities. This approach will be ISO 14067:2018 certified and underlines AKU's commitment for a transparent business and production activity with the aim of lowering its impact on the environment.

As an addition to the Carbon Footprint of Product that AKU has already been caluclating over the last years, the Carbon Footprint of Organization complements and completes the deep insights in AKU's activities and its impact. By calculating clear and reliable numbers, it is possible to further identify areas in the company where impacts must be reduced and operational activities can be improved.

#### Initiative: "HOW WE CAN REDUCE OUR IMPACT ON THE ENVIRONMENT"

In 2022, AKU launched a small but important initiative to sensitise all employees at the headquarters in Montebelluna to the conscious use of resources: electricity, water, heat and the reduction of waste. This action was started with a general appeal and small notices at the relevant places (light switch, paper towel dispenser, printer, coffee machine, etc.):

AKU feels a responsibility to support the current difficult times due to both climate change and the recent energy crisis. We believe that, as an organisation, we can contribute. With everyone's help we can reduce our consumption and therefore our impact. We have identified a list of good practices that, with simple daily attention, can yield very positive results. Let's follow them all together!"



WE USE HEATING CONSCIOUSLY 20° IS THE MAXIMUM ALLOWED TEMPERATORE

WE USE PAPER TOWELS IN BATHROOMS CONSCIOUSLY



MONITORS OFF AND WINDOWS CLOSED WE TRY TO SAVE WATER WHENEVER WE CAN



#### **Water Resources & Effluents**

The water consumption in AKU's production is limited to the use in sanitary facilities. The manufacturing processes performed by AKU do not require any water. Throughout the entire value chain, most water is consumed during the production of raw materials. Specifically leather can be identified as a materials for which most water is being consumed.

During the production process of leather - most of all the preparation and the tanning process - an important amount of water is used. Thereby, water has 2 functions - it dissolves and diffuses the chemicals and allows the leather to mix and turn in the tanning drum without damaging it. To assure that the use of water is handled in a responsible way and that a responsible chemical management is implemented throughout the leather supply chain, AKU relies on the LWG certified leather suppliers. A strict RSL and Chromium VI management, the reduction of harmful substances, a responsbile water and energy usage and solid waste and effluent management contribute to the protection of the environment and natural resources.

Water consumption:

TALY

380 m<sup>3</sup>

RMANIA

3293 m<sub>3</sub>

SERBIA

Our Serbian production plants are supplied via a local well system. For this reason it is currently not possible to accurately record the water consumption. Nevertheless, environmental standards and principles as defined in our Code of Conduct are followed.

WHAT WE DO - OPERATIONS

AKU's headquarter being ISO 14001 certified, follows a strict water and effluents management. According to the ISO requirements, environmental protection and the prevention of adverse environmental impacts with regard to effluents is assured.

> In our plants in Romania EU standards for water abstraction and discharge, wastewater management and effluents are applied.

# Waste Management & Circular Economy









AKU against microplastic 100% of the packaging made of recyclable material

#### Elimination of heat shrinkable plastic in the packaging processes

Starting from 2016, the packaging system for shipments of goods to customers globally was revised, completely eliminating the use of plastic material and introducing the exclusive use of cardboard packaging, favouring eventual recycling or disposal or reuse of the packaging itself at the end of its life.

#### 100% paper adhesive tape for shipping goods packaging

The cartons in which we ship the shoe boxes are sealed with paper tape, making the secondary packaging easily recyclable and reusable.

## 100% paper labels of packaging

The labels applied to the shoeboxes have changed from a plastic backing to a paper backing, making the AKU packaging easily recyclable.

# Recycling Program – Reduce, Reuse, Recycle

Reuse of raw materials' packaging and other delivery's packaging.



All boxes received through deliveries from Vietnam are being reused by AKU for shipments from the central warehouse in Montebelluna, Italy. Consequently, all cardboard boxes have a second life and are reliably and consistently reused. AKU can significantly reduce the use of new boxes by finding responsible solutions for waste reduction.

> In 2022 AKU resued 8112 cardboard boxes originating from the deliveries of our Vietnamese finished footwear supplier.

#### **Electronic Waste Avoidance - Refurbishment of Electronic Devices**

As early as 2021, AKU started a project to refurbish PCs and notebooks. In 2022, this project was continued and completed. By replacing the hard disk with more powerful SSD hard disk, increasing the RAM and updating the operating system, about 20 of the total of around 50 devices were refurbished.

This accounts for about 40 % of all our PCs and notebooks in use.

In this way, in addition to the costs of complex disposal, the purchase of new devices could be avoided through a simple, yet responsible procedure – by reconditioning electronic devices in everyday use.



#### **Recycled Freight Pallet Wrap Film**

After a test phase in 2021 and the beginning of 2022, the freight pallet plastic film that AKU uses for most of its pallet shipments was completely changed to 60% recycled material. This film is also used by our efficient and material-saving pallet wrap machine. The recycled content is obtained from recycled post-consumer plastic. It is certified with the Italian environmental certification "Plastica Seconda Vita da raccolta differeniata" by the Istituto per la Promozione delle Plastiche da Riciclo (Institute for the Promotion of Recycling Plastics).

- 60% CO<sub>2</sub> emission reduction
- 80% reduction in water consumption
  - Entirely recyclable
  - Reduced waste
  - No microplastics
- Alternative to the exploitation of fossil resources

#### 100% recycled bags for internal use & shipments

Also, the amount of recycled material of bags for internal use and for small shipments to customers is being increased from 70% to 100%. Entirely recycled plastic, entirely recyclable.

## AKU against microplastics - Change of single use coffee cups and spoons for coffee machine

AKU decided to exclusively use compostable coffee cups and spoons instead of plastic items. The local waste management company confirms that AKU's compostable cups used in vending machines are reprocessed in compost instead of being disposed of in residual waste.

#### Paper consumption

In 2022, 193.000 pages of paper were printed in AKU's offices in Italy. Our team is very mindful of reducing paper consumption. Paper that has already been printed is reused for internal copies.

# **Logistics & Transports**







The CFP allowed AKU to get an entirely transparent and traceable insight into the impact of raw materials transportation. By collecting and evaluating all data about freight transportation, AKU can identify the areas of greatest impact, aimed at limiting the effects of its production activity on the natural environment.

The Carbon Footprint calculation makes it possible to trace and identify all type and distance of transportation for every single material from raw material suppliers to the AKU warehouse, as well as from sub-suppliers to AKU suppliers by means of transport divided in road, sea, train or air fright.

AKU always strives to ensure transport with the lowest possible impact.

#### Transparency & Reduced Impact









#### Installation of automatic cutting machines

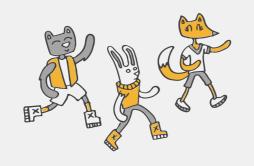
The installation of automatic cutting machines in the production allows a saving of about 5% of raw material and consequently leads to a reduction of waste.

#### **FSC** certified labels

All box labels, cartons, and other accessories consumers can find on finished products are FSC certified. The Forest Stewardship Council (FSC) is an international, non-governmental organisation dedicated to promoting responsible management of the world's forests.

FSC forest management certification confirms that the forest is being managed in a way that preserves biological diversity and benefits the lives of local people and workers, while ensuring it sustains economic viability. FSCcertified forests are managed to strict environmental, social and economic standards.





# **COMMUNITY**





# Our community

#### **Ambassadors, Athletes and Partners**

















WHAT WE DO - COMMUNITY

#### Life, work, adventures in nature - Our world, our inspiration

Over time, AKU's role in the outdoor market has increasingly become the reference brand for adventure and hiking enthusiasts, but with particular attention to the theme of the relationship between man and nature. Mountain farmers, woodcutters, naturalists, refugees, outdoor photographers. These are the natural lovers of AKU, alongside authentic mountain enthusiasts, mountain and hiking guides, mountain rescue technicians, who have always chosen AKU for its ability to combine the required technical performance with a professional product, with comfort. Typical of a shoe to enjoy your free time in contact with nature.

AKU Ambassadors share the culture and values of the AKU brand, they are community builders, convinced and passionate users of AKU footwear which they promote through their sports and leisure activities.

People sharing our vision of high-quality products made to last in time with a responsible approach to the environment, who combine their passion for the mountains and nature with the responsible use of AKU products: These are our ambassadors, athletes and partners, we call "Amici", that are spread all over Europe.

Our community does not consist of extreme athletes striving for the highest summits in the fastest timing but passionate people sharing authentic stories about their experiences and outdoor adventures with AKU footwear on their feet.



















#### Where is our community spread?



· · · · · · · · WOMEN / MAN

through various age groups & different nationalities with a strong core based in Italy

Besides its athletes and ambassadors representing the brand, AKU collaborates with outdoor organizations, associations and mountain huts that carry the idea of a respectful, responsible experience in the mountains that is open to everyone forward.

#### Map & pictures of Mountain huts























### AKU alpine hut network -Mountain free from single-use plastic

AKU launched a project to sensitize mountain enthusiasts to avoid of the use of disposable plastics during their excursions. A network of alpine huts currently made up 10 units on the Eastern Alpine arc, with the prospect and the hope of extending it to numerous others distributed over the rest of the Alps and the Apennines, to consolidate the idea that mountain waste is an unacceptable presence.

The project provides for an agreement between the company and the manager of the refuge for the production and sale at an advantageous price of technical water bottles (Ferrino) with the aim of gradually replacing or abolishing the habit still widespread by many hikers. to carry in the backpack or ask for the water in the disposable plastic bottles in the refuge.



# Protection of Human Rights









AKU's Code of Conduct is based on current international conventions which shall assure protection of human rights, throughout the entire supply chain.

The United Nations Global Compact

The United Nations Universal Declaration of Human Rights

The International Labour Organisation's Declaration on Fundamental

Principles and Rights to Work

The United Nations Convention against Corruption

The United Nations Convention on the Rights of the Child

The United Nations Sustainable Development Goals

Under the point LABOUR AND EMPLOYMENT AKU states its requirements regarding fair, safe, healthy and equal labour conditions, and employment rights, specifically focusing on labour contracts, working hours, wages, a respectful treatment as well as the freedom of association and the right to collective bargaining.

# **Trainings**





In 2022 AKU employees participated to 795 hours of trainings. In average, this results in 14 training hours per employee. To ensure safety in the production and warehouse, improve efficiency and specialized work steps in the production and to raise awareness for sustainability topics, AKU employees are trained in all 3 AKU sites.



WHAT WE DO - COMMUNITY

# Health and Safety at Work



#### ISO 45001 & Medical Checks

Occupational health and safety are central aspects and a fundamental value of the company. Especially in production and in the warehouse, our staff is exposed to certain risks due to the type of work. AKU therefore carries out regular safety inspections in accordance with the ISO standard 45001, identifies and controls risks, thus ensures and improves the overall occupational safety.

Our occupational health and safety system includes yearly assessments of occupational work hazards as well as emergency evacuation drills, fire safety and first aid training. In accordance with the requirements of ISO 45001 standards and has the system in place to maintain and continually improve the occupational health and safety management system, including the processes and interactions needed.

Regular medical heath checks are conducted within the scope of occupational health surveillance, as well as verifying the worker's physical fitness to perform the tasks assigned to him or her.

#### Company Welfare



#### Sanimoda - Supplementary health care fund

Sanimoda is the supplementary health care fund for workers in the fashion industry. As a footwear manufacturer AKU is a member of Sanimoda, enabling its employees to take advantage of the fund.

Sanimoda was created by the agreement signed in 2017 between the trade organisations of companies and workers. It is equal in nature, i.e. composed in equal parts of representatives of workers and companies, and is distinguished by being non-profit: everyone inscribed is a member and supports the proper management of the Fund.

The Fund's objective is to support the needs and requirements of workers by providing health care services supplementing those of the National Health System (NHS).

Sanimoda covers diverse medical treatments and surgeries, healthcare fees are reimbursed in full.

# **Fundraising**







#### **Green Friday 2022**

ENVIRONMENTAL COMMITMENT

OCA Green Friday 2022 - Fundraising for environmental conservation projects: Faithful to its responsible commitment to the environment, AKU adheres to the fundraising campaign promoted by EOCA - European Outdoor Conservation Association - by donating 50% of the profits generated by the sales of its online shop on the day of BLACK FRIDAY 2022. Fund crops are managed by EOCA to finance conservation and environmental enhancement projects in various parts of our planet.

Green Friday 2022 at the AKU Factroy Store:

AKU donated 50% of the proceeds at its Factory Store on Black Friday to the Montebelluna section of the Italian Alpine Club (CAI) to support a mountain education project.

#### Initiatives for the outdoor community











WHAT WE DO - COMMUNITY



AKU supports the EOCA European Outdoor Conservation Association who takes action to conserve and restore nature to preserve the outdoors. EOCA is the largest European organization of outdoor companies engaged in the defense and enhancement of the natural environment.

The association takes care of the conservation of nature and uncontaminated places, activating actions aimed at preserving these environments for the present and the future. AKU supports EOCA, specifically, THE PLASTIC FREE MOUNTAIN TO SEA initiative aimed at reducing single-use plastics.

#### **EOG Climate Action Group**

As an associated brand in the European Outdoor Group (EOG) AKU is additionally involved in regular discussions, exchanges and the general ambition of minimizing its environmental impact within the scope of the EOG Climate Action Program. The EOG represents the European outdoor sector, an industry group of brands, retailers, technology providers, and national associations. The group manages or supports projects that are of great importance to the outdoor sector, as in this case CSR and sustainability. As a guiding institution, it covers topics like responsible resource use, safe emissions, ethical supply chains, care for consumers and fair business. In response to the 17 UN Sustainable Development Goals, the Climate Action Program as proposed by the EOG has the aim of assisting to actively reduce the greenhouse gas emissions companies produce, by developing and implementing a climate strategy that is aligned with science-based recommendations and policy requirements.

#### **Confindustria Veneto Est**

AKU is part of the group of companies organised by Assindustria Veneto Centro that work on sustainability issues and share their projects every year to allow a common progression. This association was founded through the unification among Confindustria Padova and Unindustria Treviso.

AKU actively participates to exchanges and talks about sustainable improvements and promotes sustainable and responsible industry, production, and business practices within this association of companies from diverse industries.

#### **European Funds - RIR Face Design**

AKU participates in the Regional Innovative Network - Face Design, through which it is carrying out a research and development project on new sustainable technologies. Specifically, the activity in which it is involved aims to develop new low-impact tanning systems.

This activity is supported by the POR FESR 2014-2020, Axis 1. Action 1.1.4

# Project "Sustainable development for the improvement of business processes and products"

Within this project AKU developed the Carbon Footprint Systematic Approach and disseminated the results during a public event with the aim of sharing good practices with the entire supply chain.

This project has been partially funded by the Veneto Region with D.D.R. n 1146 of 08/10/2019.



#### It's Great Out There

We want to inspire you to become active and enjoy the outdoors.

It's Great Out There is a program conceived and coordinated by EOG — European Outdoor Industry — the international association of companies in the outdoor sector, which has among its aims the sensitization of European political institutions towards the adoption of regulatory measures aimed at promoting practice of physical activity, sports and free time in contact with nature.

An initiative that was born on the basis of awareness of the growing problems for health and social discomfort that is manifesting itself in the younger generations due to the progressive reduction of active time in contact with the natural environment. This combined, on the other hand, with the constant increase in the time of physical inactivity indoors, especially in large metropolitan areas, which particularly affects children and young people of school age. In response to this situation, EOG called the member companies of the association to action, stimulating them to promote initiatives on a local basis aimed at involving individuals, families or organized groups, with the aim of providing socio-educational experiences and pure leisure in contact with the environment.





#### Ice Memory - Knowing the past to protect the future

AKU is a supporter and technical sponsor of the Ice Memory Project. Ice Memory is an international program that aims to provide, for decades and centuries to come, archives and data on the history of the climate and the environment that are fundamental to both science and to inspire policies for sustainability and humanity. Ice Memory aims to federate the international scientific and institutional communities to create in Antarctica an archive of ice cores from glaciers currently in danger of shrinking or disappearing. Scientists are convinced that this ice contains information of such value as to require research even on samples of disappeared glaciers. Ice Memory is a joint program between Grenoble Alpes University, Ca 'Foscari University of Venice, the French National Institute for Research on Sustainable Development (Ird), Cnrs, Cnr, and with the French Polar Institute (Ipev) and the National Program for Research in Antarctica (PNRA) regarding the activities at the Concordia station in Antarctica. Ice Memory has the patronage of the Italian and French Unesco commissions. After the expedition at the Monte Rosa glacier, operations in the Gran Sasso cauldron at an altitude of over 2000m have now begun. The commitment to the environment and the basics of the expedition: to study the glaciers in order to obtain information on the climate changes taking place. During the project's missions, AKU provides the team of researchers with technical footwear for activities in the Hayatsuki GTX glacier, top of the range of the mountaineering collection and the new Rock DFS GTX approach and climbing model for routine activities not at altitude.

#### Montagne Rosa

With its initiative "Montagne Rosa" AKU wants to highlight those mountain women who have chosen to walk in our comfort and safety. What we all have in common is our passion for life in the open air, ideally 1000 metres above sea level! It consists of a gallery of female outdoor portraits which shall be pointed up on our website and social media channels.

#### Inclusive Activities





#### **Outdoor For All - The Mountain Without Heroes**

Aku and the Disabilincorsa association together in the Belluno dolomites

Disabilincorsa is the name of an association set up in 2003 on the initiative of Michele Pavan and some friends, all of whom are blind. The aim of the association is to promote sports and hiking activities for people with visual and motor disabilities. A meeting born by chance, but which fits perfectly into a new programme of activities that AKU calls OUTDOOR FOR ALL, aimed at encouraging the outdoor experience for inclusive and regenerative purposes in disadvantaged people. And so, thanks to the valuable contribution of the association Centro Studi Montagna Sospirolese it was possible to organise an evening trekking with night-time return along the forest road that from the village of San Gregorio nelle Alpi (BL) leads to the hut "Le Ere", on the Mount Pizzocco, in the Dolomiti Bellunesi. More than 20 participants, including blind and visually impaired people and their helpers, including us from AKU, for a new experience of extraordinary human value.

#### Sentiero Don Guanella

In 2022, AKU donated footwear for participants in the "I FIGLI DI DON GUANELLA project". The project support people with disabilities to get in closer contact with the mountains and experience the outdoors.

# **COMMUNICATION** & MARKETING













re**ACT** = TAKE ACTION BE COMMITED

WE FEEL PART OF A SINGLE ECOSYSTEM, SOCIAL AND ENVIRONMENTAL. WE FEEL RESPONSIBLE FOR ITS BALANCE.

It is on the basis of this principle that AKU is committed to finding production solutions with reduced environmental impact, as well as supporting social activities based on the principle of inclusion.

And it is on the basis of this commitment that the motto reACT RESPONSIBLY was born, which has also become a logo whose function is to identify the actions of environmental and social commitment carried out directly by our company or in collaboration with our many friends in Italy and around the world.

Friends who, like us, hear nature's call for conscious and responsible behaviour towards man and his living environment. If Nature calls, we react responsibly.





reactive = be active in the outdoors

SAFE STEP, STRONG HANDS, FREE MIND AND HAPPY HEART.

We, the AKU people, like to experience the outdoors in this spirit: free but aware, dynamic but responsible.

Based on this inspiration, the reACTIVE RESPONSIBLY philosophy was born. A philosophy contained in a logo that identifies the outdoor experiences of the AKU community.

Ambassadors, friends and enthusiasts in Italy and around the world recognize themselves in our way of living in contact with nature, in a responsible and inclusive way, with a free mind and a happy heart.

# 00

#### **Truthful Marketing & Communication**

At AKU we attach highest importance to truthful, authentic marketing and communication to our customers, all stakeholders, and the public.

A transparent supply chain, honest commitments, truthful advertising and candid, transparent communication gives clear insights into AKU's actions, missions, and values.

#### No Discrimination, Diversity & Inclusion

In order to emphasize AKU's open company culture, our Code of Conduct insists on the fact that we do not accept discrimination with regards to ethnicity, skin colour, religion, age, sexual orientation, gender, national origin, different abilities or disabilities, political orientation or other classes protected by law. Equal opportunities for and treatment of employees irrespective of the above-mentioned factors shall be promoted. Diversity shall not be limited in any way. These principles must also be followed by all of AKU's business partners.

AKU believes that a discrimination-free environment is best achieved through equal treatment for all.

As a means to foster inclusion along the entire product life cycle AKU's product brief stimulates all R&D employees to consider inclusion at every step of new product development & design.

# Creating Awareness & Promoting an Active Lifestyle

Since 2010 AKU has run diverse campaigns to create awareness and promote an active lifestyle among its community and everyone active outdoors.

#### THE OUT-BOOK - Tips for enjoying the outdoors responsibly

In 2022, AKU released THE OUT-BOOK with TIPS FOR ENJOYING THE OUTDOORS RESPONSIBLY.

This Academy booklet permits all outdoor enthusiasts to get a compact but concrete overview of mountain activities, equipment and the correct behaviour when experiencing the outdoors. With this booklet AKU therefore wants to offer a modest contribution, particularly to new lovers of the mountains and the outdoor life, to finding their own right dimension; useful advice for good practices that are often taken for granted, but which can sometimes make the difference between a great satisfaction and an experience to forget.







**WHAT WE DO** - COMMUNICATION & MARKETING

#### **AKU Academy**

For AKU Academy, we dedicate a section of the AKU website to informing about diverse used technologies in AKU footwear as well as to inspiring and guiding people how to responsibly experience the mountains with AKU products outdoors.

How to prepare the backpack, how to prepare tasty, nutritious, zero-waste trail foods, what rules to respect throughout an alpine hut experience and how to conduct a correct boots care and maintenance.

#### Manual for responsible purchase, use and care of footwear products

Good footwear also deserves good care! Regular maintenance prolongs the life of the shoe.

For this reason, AKU provides its customers with a manual for responsible purchase, use, care and maintenance of footwear. With the aim of prolonging every boot's/shoe's life, AKU gives advice on how to consciously choose, how to responsibly use, take care and reuse footwear.

Regular maintenance has a considerable influence on the quality of fit and above all considerably prolongs the life of the footwear. AKU pays high importance to the repair, resoling and reuse of used footwear. The communication of possible ways to give used footwear a second life or how to correctly dispose it at the end of life is therefore an important aspect.

#### Means of Communication

#### **POP tools**

100% of AKU's POP material has been free from petroleum substances since 2014, and we have exclusively used 100% FSC certified paper and cart for communication materials since 2019.

AKU adopts eco-friendly printing solutions by using eco-friendly inks and FSC certified paper from sustainably managed forests for all catalogues.

To solidify its engagement AKU highlighted in its Code of Conduct that any resources and materials used for marketing, communication or POS tools shall be chosen and employed in a responsible and environmentally friendly way. Their impact should be kept as low as possible.

#### **Events**

#### Trade fair stand - AN ENVIRONMENTAL COMMITMENT

Plastic free, designed to last and low energy content. The AKU stand has a reduced environmental impact.

Designed and built in 2013, the stand with which AKU participates in trade fairs is a structure entirely made of natural wood without chemical treatments or plastic components. The graphic panels are made of recycled honeycomb cardboard and the bar service is completely free from the use of plastic containers.

The energy consumption for lighting is less than 3 kw.

100 % plastic free booth

Natural untreated wood of local origin

Water based paints

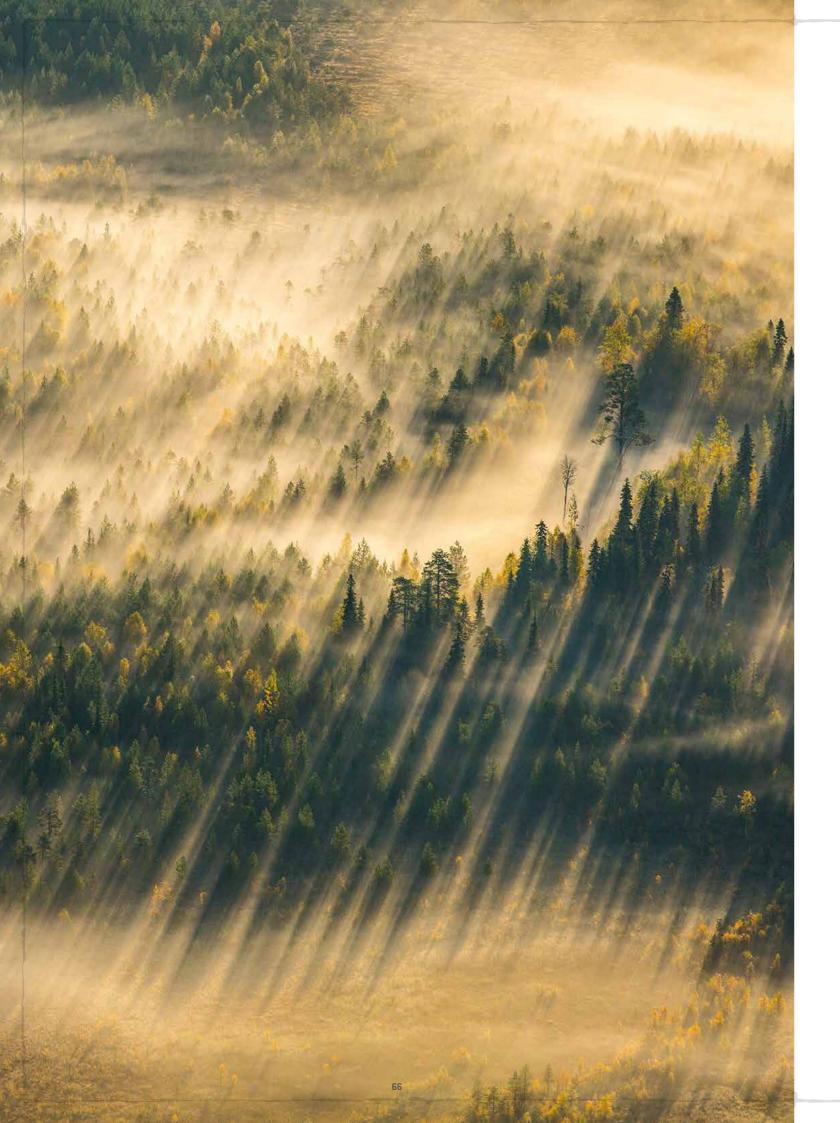
Energy consumption less than 3 kw

Graphics and POP tools in compostable honeycomb cardboard

Local suppliers







# WHAT WE STRIVE FOR

We feel part of a single ecosystem social and environmental. We feel responsible for its balance. This responsibility shall be featured through reporting our organization's impacts according to the GRI Standards by 2025. With this aim we strive to better understand and manage our impacts on people and the planet. We aim to identify and reduce risks, seize new opportunities, and take action towards becoming an even more responsible, trusted organization in a more sustainable world within the scope of the GRI Standards reporting system. Our objective is to increase accountability and enhance transparency on our contribution to responsible development for all stakeholders.

## AKU's Contribution to the Sustainable Development Goals

AKU believes that its activity can positively contribute to the United Nation's Sustainable Development Goals. Highlighted below are the 10 specific goals where AKU can have a positive impact:





STRIVE

WHAT WE



















#### 1. No Poverty - End poverty in all its forms everywhere

AKU guarantees fair salary for all its employees. This shall ensure a secure life in prosperity. Across the entire supply chain, AKU also pays attention on fair, secure payment and respectful treatment of employees when choosing its suppliers. To be highlighted is the AKU production plant in Romania where employees benefit from advantageous working conditions, salaries exceeding the minimum wage level of more than 60 % and a controlled and verified system for health and safety at the workplace: conditions that far exceed national standards and contribute to an increase in prosperity.

#### 3. Good Health and Well Being -Ensure healthy lives and promote well-being

AKU promotes a healthy way of living, enhances outdoors activities and a respectful treatment of the environment. AKU assures safe processes and products through severe chemical regulations for raw materials used in production and in endproducts. We aspire to involve and activate people for environmental protection by means of our communication with which responsible use of products and the respect of nature should be promoted.

#### 5. Gender Equality -Achieve gender equality and empower all women and girls

Equality, Diversity, Equity and Inclusion are fundamental values AKU strives to enhance and opposes any kind of limiting these aspects. In regard of gender equality, we ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making.

#### 8. Decent Work and Economic **Growth - Promote sustained.** inclusive and sustainable economic growth, full and productive employment and decent work for all

AKU has always pursued a sustained and responsible growth, through long-term business relationships, loyal partnerships, productive employment and decent and qualitative work. We protect labour rights and promote safe and secure working environments for all workers.

#### 9. Industry, Innovation and Infrastructure - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

AKU's commitment goes beyond the simple fact of

producing outdoor footwear capable of respecting the highest functional performance and which is expressed, in terms of environmental sustainability, in the constant search for innovative design solutions, aimed at containing the environmental impact, to promote the responsible use and reuse of resources, with a view to increasingly focused on the principles of the circular economy and therefore protection of the environment.

#### 12. Responsible Consumption and Production - Ensure sustainable consumption and production patterns

We like to think that whoever buys our products is a conscious user of authentic and functional manufactured goods, not simply the end-consumer of stuff. A respectful ethical product, with real value made to last in time. AKU contributes to the distribution of relevant information and creation of awareness for sustainable development and lifestyles in harmony with nature. Thus, AKU supports an environmentally sound

management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and tries to significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

#### 13. Climate Action -Take urgent action to combat climate change and its impacts

In all dimensions possible and influenceable for the company, AKU strives to lower its impact, to actively compensate, and to enhance actions to fight climate change and impact on the environment. AKU attempts to integrate climate change measures into its policies, strategies and planning.

#### 14. Life below Water - Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Through its responsible, trustworthy, and qualitative

supply chain and its actions against microplastics, AKU endeavours to prevent and significantly reduce marine pollution of all kinds, in particular from landbased activities.

#### 15. Life on Land - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

By responsible sourcing, transparency, and traceability, controlled and certified paper/cardboard resources (FSC certified), the continuously increasing use of recycled materials, AKU ensures the conservation, restoration and sustainable use of ecosystems in line with obligations under international agreements.

Through the promotion of a respectful and responsible approach to nature, the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development are enhanced. By means of its stringent supplier Code of Conduct, AKU takes urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species.

#### 17. Partnerships for the Goals -Strengthen the means of implementation and revitalize the global partnership for sustainable development

In order to reach common goals, governments, the private sector, academics, and citizens must work together. For everyone to benefit, everyone needs to contribute. AKU relies on strong and diverse partnerships, mutual support strengthening the effects of sustainable actions, building on enriching experience and strategies.

# **RESPONSIBILITY REPORT - OBJECTIVES**

Goals Set in 2021/22	Current Progress	Future Goals
OPERATIONS:		
Increase the amount of renewable energy in our energy mix in all European plants.	Amount of renewable energy consumed in Montebelluna increased of more than 20 % from approx. 18% to more than 40%. (see What we do — Operations)	Move to 100% renewable energy supply in Montebelluna. Increase the amount of renewable energy in the energy mix of our European plants.
Reduce the total energy consumption per produced pair in all plants.	Succeeded. Reduction of consumed energy in kWh per pair was reduced in 2022 in each AKU plant. (see What we do — Operations)	Continuously reduce the total energy consumption per produced pair in all plants. Enhance this process through responsible saving measures.
Develop ideas and put in place a system for production waste recycling of plastic, leather, and Libasmart in all our factories.	ldeas were developed, projects to be realized in 2023.	Put in place a system for production waste recycling of plastic (EVA), leather, and Libasmart.
Measure the use & waste of plastic pallets wrap films, reduce it and eventually substitute it with a reusable wrap solution. The aim is to entirely substitute PE-LD films in the future and minimize the use of plastic within logistics. Currently the use of 60% recycled pallet wrap film is being tested and evaluated.	PE-LD film was entirely substituted by a plastic film containing 60% recycled material. Thanks to the efficient pallet wrap machine the material use can be reduced. (see What we do — Operations)	Responsibly optimize our shipments by drawing on reusable wraps as a sustainable solution.
Install automatic hand dryers in all rest rooms to replace single use paper towels.	In progress.	Install automatic hand dryers in all rest rooms to replace single use paper towels.

Goals Set in 2021/22	Current Progress	Future Goals
OPERATIONS:		
Implement the calculation of the Carbon Footprint of Organization (CFO) and define reduction targets according to SBTI (Science Based Targets Initiative).	Calculation of the CFO for 2022 in progress. Project to be finalized in 2023. SBTi reduction targets not realized. (see What we do – Operations)	Continuously work on the CFO project. Define reduction targets according to SBTi.
	For 2023	Reduce the number of print-outs in order to reduce the paper and printer cartridges use.
Increase the number of female ambassadors & partners.	Not attained. Quota of women among AKU ambassadors slightly decreased.	Increase the quota of female ambassadors & partners.
Bring outdoors closer to the widest community possible, promote outdoors for everyone.	Realized projects. (see What we do — Community) Long- term project (AKU's mission)	Bring outdoors closer to the widest community possible, promote outdoors for everyone.
Improve on qualitative HR tools.	Not yet realized.	Set measurable & concrete goals to improve on qualitative HR tools.
Start an initiative for collecting internal suggestions, ideas and complaints from employees.	Not realized. Idea has been communicated.	Start an initiative for collecting internal suggestions, ideas and complaints from employees.
Provide all employees with reusable mugs/flasks to reduce the use and waste of single use plastics bottles and cups.	Not yet realized.	Provide all employees with reusable mugs/flasks to reduce the use and waste of single use plastics bottles and cups.

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# **RESPONSIBILITY REPORT - OBJECTIVES**

Goals Set in 2021/22	Current Progress	Future Goals
OPERATIONS:		
Install a water dispenser with filtered tap water in the production area.	Not yet realized.	Install a water dispenser with filtered tap water in the production area.
	For 2023	Create a space dedicated to coffee breaks, lunch breaks and moments for chats & short recovery in our Italian headquarter.
PRODUCT:		
Continually calculate the Carbon Footprint of Products (CFP), define specific reduction targets for 2030 and 2050, define a strategy for off-set initiatives, work on concrete solutions to reduce the impact according to SBTi (Science Based Targets Initiative).	Calculation of the CFP for 2021 finished and for 2022 in progress. SBTi reduction targets not realized. (see What we do — Product)	Continuously work on the CFP project. Define specific reduction targets for 2030 and 2050, define a strategy for off-set initiatives, work on concrete solutions to reduce the impact according to SBTi.
Increase the amount of LWG certified leather suppliers to 100% by 2025.	Amount of leather from LWG certified leather suppliers was increased of 39.5% compared to 2021. In 2022, 83% of our leather was purchased from LWG-certified suppliers. (48% gold rated) (see Who we are)	Increase the amount of LWG certified leather suppliers to 100% by 2025.
Move from solvent based to water-based adhesives for the lasting process.	In progress.	Move from solvent based to water-based adhesives for the lasting process.

Goals Set in 2021/22	Current Progress	Future Goals
PRODUCT:		
Move to PFC-free DWR treatment for textiles.	Conducted supplier screening: suppliers providing materials that contain PFAS were identified and contacted. Possible procedures to substitute these materials were discussed. (see What we do — Operations)	Continuously work on the Move to PFC-free DWR treatment for textiles by 2025.
	Long term objective.	Increase the use of recycled materials in AKU footwear.

