

ECCO

Creating Better Footwear

ECCO is a global family of shoemakers. From drawing the first sketches to presenting its finished shoes in ECCO stores around the world, the company applies the utmost attention to detail and quality. Unique to the industry, ECCO makes leather at its own tanneries and produces shoes at its own factories. ECCO's global family of employees, representing 60 nationalities across the globe, is the driving force behind its products. Design, development, production, and retail – the company takes responsibility all the way.

STEP BY STEP PLANNING WHILE TAKING THE ENVIRONMENT INTO CONSIDERATION

Improving environmental performance is a continuous process which involves multiple stakeholders. This document highlights some of ECCO's initiatives.

ECCO's environmental targets

ECCO's Headquarters (HQ) in Denmark aims to become energy-neutral by 2024, and ECCO as a whole aim to be energy neutral by 2028 to reduce dependence on energy generated from fossil fuel sources and replace it with renewable energy. On waste management, ECCO aims to have ninety percent (90%) waste recovery by 2026 and further reduce waste overall. In 2021, 78% of waste in ECCO's shoe factories was recycled or recovered. The company also aims to reach net zero water discharge by 2030 and improve waste water facilities to create closed-loop water systems.

Tracking progress with KPIs

ECCO has created key performance indicators (KPI) templates specifically on energy, water, and waste for each of its Business Units (BUs). These KPI's are the measurable value that tracks ECCO's progress in achieving key environmental objectives and environmental targets for both local and headquarter level. This template is also accompanied by procedure documents to provide guidance for effective KPI data collection and monitoring for each BUs.

INTERNAL RESPONSIBLE ENVIRONMENTAL PRACTICES

The Leather Working Group

The Leather Working Group (LWG) promotes responsible environmental practices across the leather supply chain. ECCO Leather has been an active member of the Leather Working Group since 2010.

All of ECCO's tanneries receive excellent ratings with Gold awards to its tanneries in Indonesia, Thailand, and China, and its tannery in the Netherlands is Silver rated. In its shoe factories, ECCO is conducting, together with an external auditor, the environmental benchmark audits. Hence, encouraging greater environmental awareness in all its manufacturing units.

The ECCO environmental taskforce

ECCO's Corporate Responsibility and Sustainability team are responsible for integrating sustainability projects into its operations by setting up its Code of Conduct related to employee work environment (including health and safety), corporate responsibility (community and CSR), animal welfare, and environmental consideration.

Green claim training sessions

Currently, the company is conducting green claim trainings which are open for all relevant employees to ensure awareness and greater knowledge of sustainability.

DELVING INTO TECHNOLOGICAL INNOVATION

Technology for sustainable efficiency

ECCO's Applied Research (ARE) team is working on the improvement of technology and circularity within the manufacturing plants, the ARE team is reviewing improvement options in ECCO's main waste streams and manufacturing processes.

As a result of five years of research and testing, ECCO developed the innovative DriTan™ technology, a water-efficient step in the tanning process. It works by using moisture present in the hides to create leather that is indistinguishable from traditionally tanned leather. DriTan™ saved 20 litres of water per hide and 600 tons of sludge from going to landfill in 2021.

CARING FOR THE SUPPLY CHAIN

Supply Chain due diligence

ECCO's environment and social standards ensure manufacturing of ECCO shoes. Holding its suppliers to similar high standards and values as it follows in its own production. ECCO performs on-site audit about 250 suppliers to ensure they comply to ECCO social and environmental standards.

Using chemicals

ECCO maintains a global Product Restricted Substances List (PRSL) to ensure products comply with the strictest global legislation and harmful substances are limited or even eliminated. The list is aligned with AFIRMs RSL. Furthermore, all chemicals used in its production have to follow the ZDHC MRS - Zero Discharge of Hazardous Chemicals Manufacturing restricted substance list.



Solar panels have been installed on all roofs of ECCO Tannery Xiamen since 2019

Employee welfare and diversity

As the health and safety of ECCO's employees are of utmost priority to the company, ECCO's Group Corporate Responsibility is paying intensive attention to employees' welfare as stated in its Code of Conduct. With activities in many countries with unique cultures, ECCO has also experienced the strength that comes from diversity. Seeing itself as a guest in the country it operates in, ECCO has immense respect for other people and cultures.

THE IMPACT OF THE EU ON ECCO

The public focus on sustainability led to the EU's 'European Green Deal' creation with stricter legislations and actions to increase sustainable governance and activities in the EU (packaging, renewable energy, chemicals, etc.). ECCO saw also increase in expectations from its customers. Both led ECCO to intensify its work in the field of sustainability.

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