

## Dear Readers,

LOWA combines long-standing tradition with high ecological and social standards. To make our efforts transparent, from 2024 we are publishing an annual Sustainability Report. Scanning the QR codes will take you to further information on the various topics.



#### **Our Areas for Action**



#### **Products**

We consistently make all our products more sustainable.



#### **Supply chain**

We take responsibility for our supply chain.

For us, sustainability isn't a trend. It is a fundamental part of our operations. We are constantly working to reduce our environmental impacts and to improve our social standards. In this way we are approaching the summit step by step – just like on a hike.

Alexander Nicolai

Murla



**Environment & Climate**We minimise our environmental impact and help to protect the climate.



**People & Company**We offer a safe, inclusive working environment.



See our Sustainability Report:

## For nature, for people

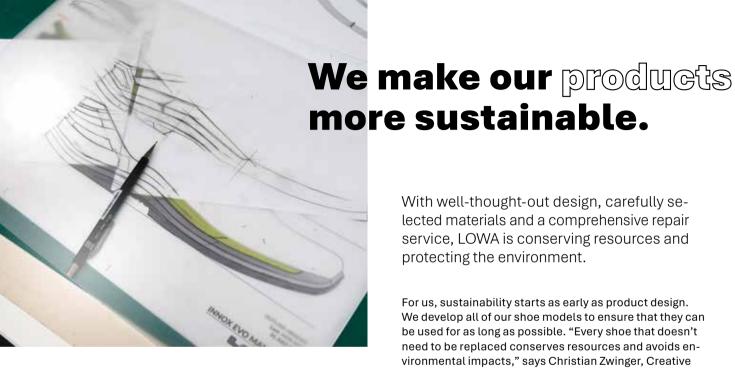
-for all of us.

We want to offer our customers the best-possible outdoor experience with our shoes. That is why the protection of nature and the quality of our products are paramount in everything we do. "For us, sustainability is an integral part of our business model," says Annika Jestädt, Head of Corporate Responsibility at LOWA. "This is how we contribute to a livable future for coming generations." LOWA is committed to the Paris Climate Agreement's aim of limiting global warming to 1.5 degrees, and it supports the United Nations' 17 Sustainable Development Goals (SDGs). Our strategy is furthermore aligned with the commitments of our parent company, the Tecnica Group.



#### Sustainability by design

Our sustainability is based on clear values, regionality and having our own production facilities. We set ourselves ambitious but realistic goals that we can track transparently and on the basis of data. Using a double materiality assessment, we have examined LOWA's impact on humans and nature, as well as the external influences on our company. To this end, the LOWA management worked closely with our specialists from Germany, Italy and Slovakia, taking the entire value chain into consideration. This analysis forms the basis of our sustainability strategy. On the basis of its findings, we defined four key areas for action: products, supply chain, environment & climate, people & company.



With well-thought-out design, carefully selected materials and a comprehensive repair service, LOWA is conserving resources and protecting the environment.

For us, sustainability starts as early as product design. We develop all of our shoe models to ensure that they can be used for as long as possible. "Every shoe that doesn't need to be replaced conserves resources and avoids environmental impacts," says Christian Zwinger, Creative Director at LOWA. To achieve this, we combine robust and resilient materials with sophisticated designs. LOWA shoes are made in such a way that all parts subject to heavy use can be replaced. That's how we get our beloved "old friends" back in shape for the next adventure. We repair around 40,000 shoes every year at our in-house workshop in Jetzendorf. In this way we conserve valuable resources and offer our customers economic advantages.

Our shoes prove: sustainability and quality go hand in hand.

> Annika Jestädt. Head of Corporate Responsibility at LOWA

#### Highest quality down to the last thread

Quality and sustainability also play a major role with regard to our choice of materials. LOWA relies on tested raw materials and its own standards which often exceed the legal requirements. Our focus here is on selecting sustainable and bio-based materials, as well as consistently increasing the proportion of recycled materials that we use. For us it is second nature to avoid chemicals and to-xins wherever possible. We have this verified regularly and at random by recognised, external laboratories.

In addition, we ensure that only flawless materials are used. Even before the materials go into production, they are subjected to in-depth testing at our in-house laboratory in Jetzendorf.



#### **High-standard leather**

As a robust, long-lasting material, leather is an important component for LOWA. High standards and regular checks guarantee that production is as eco-friendly as possible. For instance, we only use the hides of cattle that are the by-products of the meat industry. In addition, we mainly source our leather from European tanneries which are regularly audited by the Leather Working Group.

#### From Cradle to Grave

To further reduce the environmental impact of our products, we aim to conduct detailed lifecycle analyses in line with the eco-balance ISO 14040 and ISO 14044 norms for 80 per cent of our shoes by 2027. In keeping with the Cradle to Grave principle, LOWA takes all phases of raw material acquisition from logis-tics to production and usage to disposal into account. This allows us to assess impacts for every phase, and identify potential for improvement.

# We take responsibility for our supply chain.



LOWA stands for quality materials and expert manufacturing.
Both are only possible if we protect the rights of those people who work for us and our suppliers.
Because it is them who create the basis for our company's long-term success.

The central document for the protection of human rights along the supply chain is our Code of Conduct (CoC). As an integral and mutually binding annex to our contracts, it sets out ethical, social and ecological standards for all employees at our company, in subsidiaries and with our suppliers. The CoC defines clear rules on ecological and health protection, occupational safety, regulated working hours and pay, and the observance of human rights. In 2022 we revised and expanded our CoC in line with the high standards of the Fair Wear Foundation, as well as with environmental and economic standards. LOWA furthermore joined the Fair Wear Foundation at the beginning of 2023.

LOWA is the first pure footwear manufacturer with largely European production to successfully complete the Fair Wear Foundation's initial Brand Performance Check. With 61 out of a possible 100 points, the company achieved the second-highest rating category ("Good").

#### **Environmental and social standards**

We produce most of our shoes in Europe, but production facilities in Vietnam are also a part of our global supply chain. We have developed a systematic approach in order to identify potential risks and violations within the supply chain early on and remedy them.



#### GG Protecting the workforce along the entire supply chain is particularly important to us.

Veronika Becker. Corporate Responsibility Manager at I OWA

Existing partners' compliance is also checked regularly by LOWA representatives and external auditors. In addition, we are in regular dialogue with workers' representatives, as well as local businesses, experts and organisations. Furthermore, employees can submit anonymous hints about violations using a whistleblower system.

#### **Action against breaches**

If LOWA learns of any violations through visits, inspections or the whistleblower system. they are consistently followed-up. To this end. we agree concrete measures and deadlines with the respective supplier and closely track implementation. Improvements can usually be achieved in this way. In the event of serious, continuing violations, the business relationship is ended.

#### On an equal footing

For LOWA, regular local visits are crucial to the success of measures. They build trust and enable open dialogue between all parties involved. This allows us to resolve even complex challenges as partners.

In this area, we do not rely on our in-house expertise alone. In fact, we actively seek dialogue with like-minded entities. By getting involved with associations or organisations, LOWA and its partners are driving the industry's sustainable development - in the interests of both people and the environment.





Environmental and climate protection are key elements of LOWA's sustainability strategy. As an outdoor business, whose products enable close contact with nature, we believe that we have a special responsibility to help preserve an unspoilt environment.

To align our activities with the environment and climate, we have set ourselves the goal of becoming climate-neutral by 2050. That is also a requirement of the UN's Race to Zero initiative which we will be joining. To achieve climate neutrality, LOWA is working on a comprehensive decarbonisation strategy with the help of which we will be identifying emissions along the entire value chain, which we will then target and reduce.

In this way, over the medium term we want to halve direct and indirect greenhouse gas emissions (scope 1 und 2) and considerably reduce indirect emissions along our value chain (scope 3). We have a crucial advantage here: unlike other manufacturers, we still produce most of our shoes at our own facilities, giving us far more scope to control the reduction of our emissions.

#### Leather: a natural product with pros and cons

LOWA has less direct control over emissions that are produced during the manufacture of the individual shoe components. Nonetheless, this is where the greatest leverage for effective scope 3 reductions lies. In the case of leather, we need to look very closely: if converted to a square metre basis, leather manufacture emits the greatest amount of greenhouse gases according to official calculation methods. On the other hand, however, leather possesses a property that makes it particularly sustainable: longevity. As a result, across the entire lifecycle fewer emissions are produced than for shoes made of other materials. Furthermore leather is a natural product and does not have to be specially manufactured like synthetic or textile upper materials. LOWA is always careful to source leather that meets the highest quality and ecological standards.



#### The sun's power

To achieve direct emission reductions, LOWA relies consistently on renewable energies. Back in 2015, LOWA had already started to fit A 9,200 m<sup>2</sup> solar plant was put into operation photovoltaic installations to the roofs of its German facilities. Wherever possible - from warehouse and production buildings to our company car parks - solar modules have been installed. And we're enjoying sustainable success: the bulk of the electricity requirement at our head office in Jetzendorf is meanwhile provided by solar power.

We continue to expand in this area. We recently had our greatest success in Slovakia. here at the end of 2024. This now covers around 90 percent of our daily electricity requirements at full capacity. For LOWA, this is a major step towards reducing our ecological footprint.

### We connect

## people & company.

As a long-standing business that is closely interwoven with society, we want to make an active contribution to positive developments inside and outside our own factory gates.

The health and safety of employees is a top priority for LOWA. This is evident, for example, at LOWA Production, our Slovakian manufacturing facility in Bošany. To ensure employee safety, dedicated Safety Officers work closely with management to minimise the risk of accidents, by means of training, inspections and technical improvements.

"In recent years we have already put nume-



rous improvements in place", explains Dominika Čmiková, a Safety Officer at LOWA Production. Machinery has been retrofitted and given safety certificates. During refurbishment of one of the buildings, a safety corridor for forklift trucks was created – going far further than the usual floor markings.

LOWA Production has also committed to ambitious measures for the future, aimed at maximising health and safety for all employees.



#### Focus on health and well-being

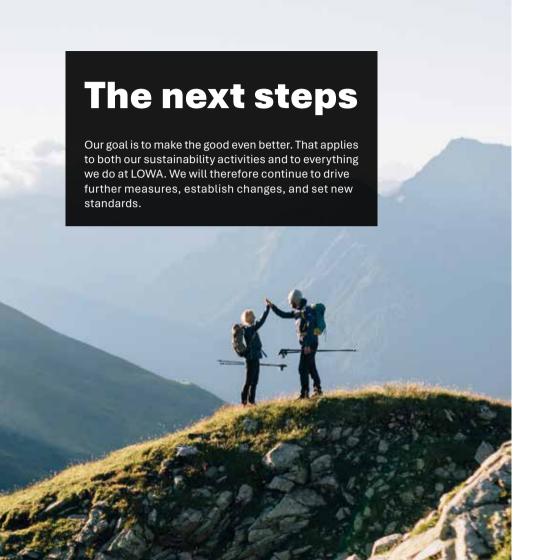
It is not only the general safety of our employees that we care about. We also advocate a healthy, active lifestyle. A key area of our engagement here is therefore on company health management. We want to boost our employees' mental and physical health by means of health courses and preventive health check-ups.

#### **Clear guidelines**

At LOWA we know that protecting employees, responsibility for the environment, and top-quality products are not mutually incompatible. We make this clear with three management systems based on international standards used at our head office, which we aim to roll out further. ISO 9001, 14001 and 45001 certifications guarantee that economic, ecological and occupational safety aspects are taken into consideration in every decision we make.

#### **Our social commitment**

LOWA also takes responsibility beyond its own doors. We support socially disadvantaged people worldwide with shoe and financial donations to social and cultural projects – from refugee aid to schoolbuilding in Nepal. It is often the employees themselves who provide the momentum: every year, for instance, employees get together and plant trees to preserve our indigenous mountain forests.



#### **Legal Information**

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