

Sustainability Report 2023

# STEP by STEP







# Dear readers,

As an outdoor footwear brand, we live from and with our environment. Nature is the source of all the unforgettable outdoor experiences that make life worth living. As a traditional business that has been producing shoes, largely in Europe, for more than a century, preserving our natural environment is a fundamental concern. Our corporate responsibility underpins everything we do. Sustainability, to us, is a long hike with many stages.

Step by step, we head for the summit. We continuously work towards minimising our impact on nature and the environment, improving our social and environmental standards and ensuring that everyone in our organisation feels secure and appreciated. With ambition and endurance, we tackle the many tasks ahead of us on our journey towards sustainability.

This first sustainability report provides a detailed insight into our activities. Every year from now on, we will be publishing details of our progress.



**Alexander Nicolai**

CEO of LOWA

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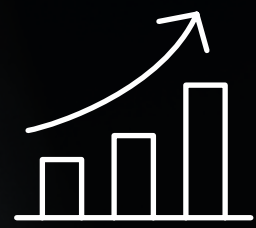
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230,000,000

Euros in turnover achieved across the LOWA Group in 2023



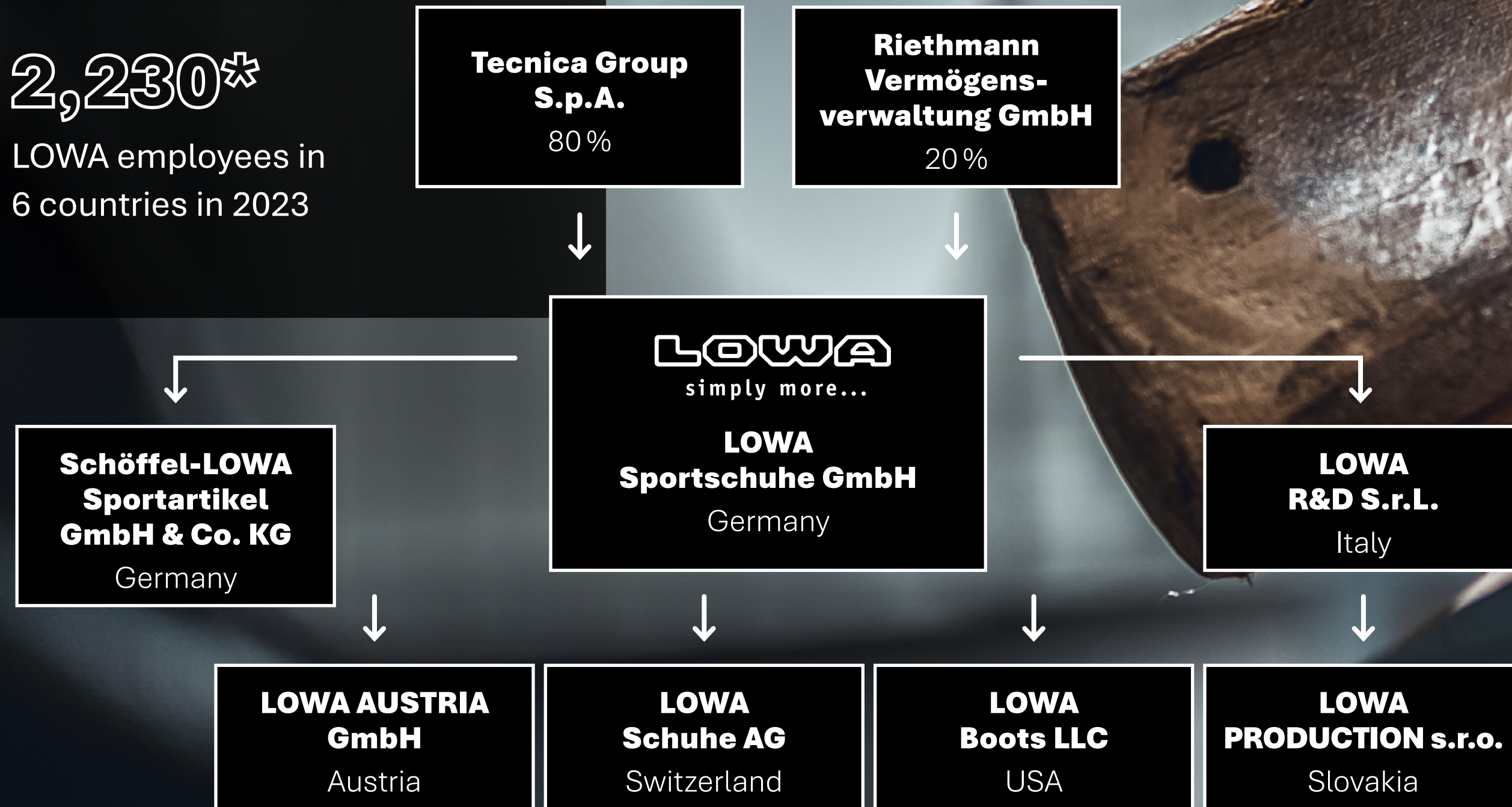
3,060,000

shoes sold by LOWA Sportschuhe GmbH in 2023



2,230\*

LOWA employees in 6 countries in 2023



\*rounded numbers



# For nature, for people, for all of us.

Jump out of bed, grab your gear and lace your boots. Take a deep breath, feel the pure mountain air. The anticipation of stepping into nature with a firm step is something very special! It's these moments we have in mind when we make our products. That's why protecting nature is at the forefront of everything we do – how could it be different? Sustainability is an integral part of our business model. For more than a decade, we've been dedicated to improving our impact on people and the environment,

taking responsibility for future generations. We commit to the Paris Agreement to limit global warming to 1.5 degrees Celsius and support the United Nations' 17 Sustainable Development Goals (SDGs). Our strategy is embedded in the commitment of the Tecnica Group, our parent company. It is a signatory to the UN Global Compact and has also committed itself to the sustainability goals of the United Nations.





# Sustainability

## by design

We have conducted a double materiality analysis to examine LOWA's impact on people and nature, on the one hand, and the influence of external factors on our own operational capability, on the other.

Ingmar Anderson, Corporate Responsibility Manager, explains: "The LOWA management worked closely with our experts in Germany, Italy and Slovakia for the analysis. Taking the entire value chain into account, we identified opportunities and risks through the analysis of impact categories." This approach has made the double materiality analysis the foundation of LOWA's sustainability strategy.

Based on the results, LOWA has defined four areas of action which offer us the greatest leverage of impact:

- 1. Products** – we improve the sustainability of our products.
- 2. Supply chain** – we take responsibility throughout the entire supply chain.
- 3. Environment & climate** – we minimise our impact on nature.
- 4. People & company** – we live up to our corporate and social responsibility. These initiatives constitute a direct contribution to eight of the United Nations' Sustainable Development Goals (SDGs).

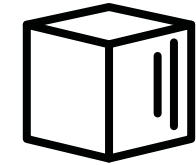






### We make our products more sustainable

We continuously enhance the quality and sustainability standards of our shoes, from the design down to the final product. To this end, we are developing our own product sustainability guidelines, which will apply to all products launched from 2027. Our focus remains on product longevity and the use of materials with a low environmental impact – without compromising on performance. We are improving the longevity of our shoes by making them washable, durable and repairable. All of the above factors are leveraged to achieve the best results for each specific product. “Creating footwear that lasts long and is easy to repair is as important to us as increasing our share of verified sustainable materials – e. g. with biobased and recycled content”, explained Carolina Würth, Product Manager at LOWA.



### We take responsibility for our supply chain

In close partnership with our suppliers, we regularly and systematically verify compliance with our environmental and social standards along the entire value creation chain. All our production sites are externally audited to the standards of the Fair Wear Foundation. “Protecting our employees throughout the entire supply chain is especially important to us”, said Veronika Becker, Corporate Responsibility Manager. “We have also successfully established a whistleblowing system to enforce compliance with our Code of Conduct.” Another tool with which we mitigate risks is the new supplier development programme, which incorporates audits and countermeasures.



### We protect the environment and climate

Continuous improvements to our designs and production process optimise our resource use and minimise our environmental impact. At the same time, we reduce waste or reuse it in a new life cycle. Our aim is to be climate-neutral by 2050 – we are deeply committed to this. In the medium term, we intend to cut our direct and indirect emission of greenhouse gases (scope 1 and 2) in half and significantly decrease indirect emissions throughout our value creation chain (scope 3). We also use renewable energy sources. On-site photovoltaic systems already cover 60 % of the energy needs of our Jetzendorf factory.



### We connect our people with our company

We take our responsibility for everyone involved in our value creation chain very seriously. Across all sites, we create safe and inclusive workplaces where employees feel welcome and appreciated. Equal opportunities and anti-discrimination are essential to us. Through regular audits and the successful implementation of an anonymous whistleblowing system, we review and ensure compliance with our Code of Conduct. We do our part for a responsible society and advocate for the socially disadvantaged. For example, we support the organisation Outdoor Against Cancer and fund education projects in various countries.





## Step by step towards the goal: a future worth living for the next generations.

Annika Jestädt, LOWA Head of CR



LOWA blends long-standing traditions with high environmental and social standards. Our sustainability is rooted in clear value systems, a regional focus and our own production sites. We set ourselves ambitious yet realistic goals and work towards them consistently and transparently, using high-quality data. To this end, our Corporate Responsibility division is positioned at the highest level of management, with our Sustainability team reporting directly to the CEO. “Durable, quality materials and ethical labour conditions – these are more than just a promise, they are an integral aspect of our corporate culture. Step by step, we climb towards our goal”, said Annika Jestädt, LOWA Head of CR “This is how we do our part in ensuring a future worth living for the next generations.”



# Our areas of action



## Products

We consistently make all our products more sustainable.

- We continuously enhance the quality and sustainability standards of our shoes, from the design down to the final product. To achieve this, we are developing our own product sustainability guidelines.
- Starting in 2027, all new products will meet these requirements – focussing on durability and environmentally friendly materials without compromising on performance.



## Environment & Climate

We minimise our environmental impact and help protect the climate.

- We have voluntarily committed to achieving climate neutrality by 2050. For this purpose, we are aiming to join the UN initiative ‘Race to Zero’ and verifiably minimising our emissions.
- At the same time, we are optimising our resource consumption and developing solutions for circular material use.



## Supply Chain

We take responsibility for our supply chain.

- In close cooperation with our production partners, we regularly and systematically verify compliance with our environmental and social standards along our value creation chain.
- At our production sites, we implement the established standards of the Fair Wear Foundation.



## People & Company

We offer a safe, inclusive working environment.

- We want every member of LOWA to feel welcome and appreciated. Equal opportunities and anti-discrimination are essential to us.
- We support socially disadvantaged people through national and international projects.





# Products

We are continuously making all of our products more sustainable.

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# We want to experience nature – that's why we make shoes!



LOWA's claim to quality and sustainability already starts with the [design](#). We develop all of our shoe models in such a way that they can be used for as long as possible. By doing this, we conserve important resources and offer our customers economic benefits.

To identify other leverage which we can use to reduce our environmental impacts, we produce [life cycle analyses](#) for our products. We intend to conduct analyses for 80 per cent of our shoes by 2027. In addition we are working with certified and qualified [suppliers](#) and set high standards by the choice of the material we use. To this end we formulate our own [guidelines](#) to which we commit ourselves and our partners to operate sustainably.

Our materials must not only meet the highest quality standards but must also be eco-friendly and [free of harmful substances](#). To guarantee this we have them tested and certified by accredited, external institutions.

Furthermore, the individual parts used and the finished products are quality-tested at our in-house [laboratory](#) in Jetzendorf or by external, accredited companies. Only the best materials make the leap to production.

In terms of [production](#), LOWA aims for regionality and manufactures over 90 per cent of its shoes in Europe. In this way we can ensure that all [employees](#) are fairly paid and are covered by labour legislation. We also keep the supply channels to our main markets short. With our shoes as loyal companions, we want to go out into nature, climb mountains and enjoy adventures which means our shoes have to meet tough criteria. We increase their longevity with our service [workshop](#), where shoes can be repaired and cleaned.

With our aspirations around the creation and life of our shoes, we support the United Nations' Sustainable Development Goals.



# Our path to responsible footwear

## Life Cycle Analysis from cradle to grave

Sustainable products start off with a Life Cycle Analysis. This makes it possible to systematically investigate environmental impacts along the entire life cycle.

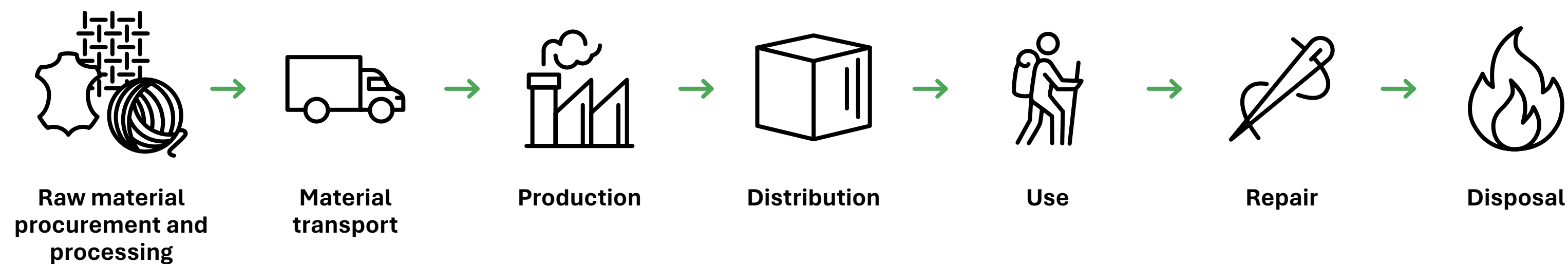
The Life Cycle Assessment (LCA) identifies how products affect natural resources, climate change, the use of land and water and many other factors. LOWA pursues the goal of analysing the life cycles of its shoes from cradle to grave so that it can make its products and processes even more sustainable.

“LCAs are always demanding,” says Annika Jestädt, LOWA Head of Corporate Responsibility. Her duties include quality, environmental and occupational safety management. “The greatest challenge here lies in gathering data about all material flows and process steps. With products like our hiking shoes, we quickly arrive at over 150 individual production steps whereby 120 individual parts are assembled.”

### Project start with three models

At the end of 2023 LOWA took up the challenge and initiated an LCA project. “For the first step, we had analyses produced for three models,” Annika explains. “These are a light multipurpose shoe and two classic hiking shoes. By 2027 we want to have life cycle analyses for 80 per cent of our shoes in accordance with the eco-balance standards ISO 14040 and ISO 14044.” In keeping with the Cradle-to-Grave principle, LOWA includes all phases from the procurement of raw materials, logistics, production and use to final disposal. For each step the analysis logs the input, e.g. the raw materials, consumables and energy. This contrasts with the output, such as emissions and waste. This data is then used to tease out the estimated effects and recommendations for action.

“We already know our shoes’ special strengths across their life cycle,” Annika emphasises, “particularly their longevity due to the design, quality and reparability. With the LCAs we now want to find out what other leverage exists for optimising products and processes.”





# From smart design to long-lasting shoe



**Every shoe that doesn't need to be replaced conserves resources and avoids environmental impacts.**

Christian Zwinger, Creative Director at LOWA



The everlasting shoe doesn't exist – but extremely long-lasting shoes do. Christian Zwinger, Creative Director at LOWA explains how longevity can be achieved with intelligent product design, high-quality materials and extensive repairability.

## **Christian, how can shoes be made long-lasting?**

In developing our shoes, longevity, functionality and quality are our top priorities. That starts with product design. We always consider where our shoes are being used. We choose materials that are particularly robust and resilient, and we position the internal reinforcements to ensure that the shoe retains its shape even after long and intensive use. This also means that our shoes age well.

## **What does your design process look like?**

We are constantly on the hunt for innovations that improve the outdoor experience. These innovations are then merged into a design blueprint. After testing and modifications, this is used to create a prototype. Even before serial production starts, we conduct in-depth stress tests in our laboratory. Test individuals wear the prototypes in the grounds. Our findings are incorporated into the final design.

## **Nonetheless, all shoes suffer wear and tear sometime. How do you deal with that?**

Of course our shoes are also subject to natural wear and tear, particularly those parts that are under a great deal of pressure. That's why we make them so that they can be repaired. For example, we design the upper so that it can be opened during repairs. This means that longevity can be significantly extended in some cases.

## **Can shoes be recycled?**

Unfortunately, in our industry there are as yet no suitable recycling solutions because of the many different materials used. So longevity is all the more important. Every shoe that doesn't need to be replaced conserves resources and avoids environmental impacts.



# Highest quality down to the last thread

LOWA's outdoor and leisure shoes are made of many different high-quality materials and components. To ensure quality, longevity and low environmental impact, how we choose our work materials is paramount.

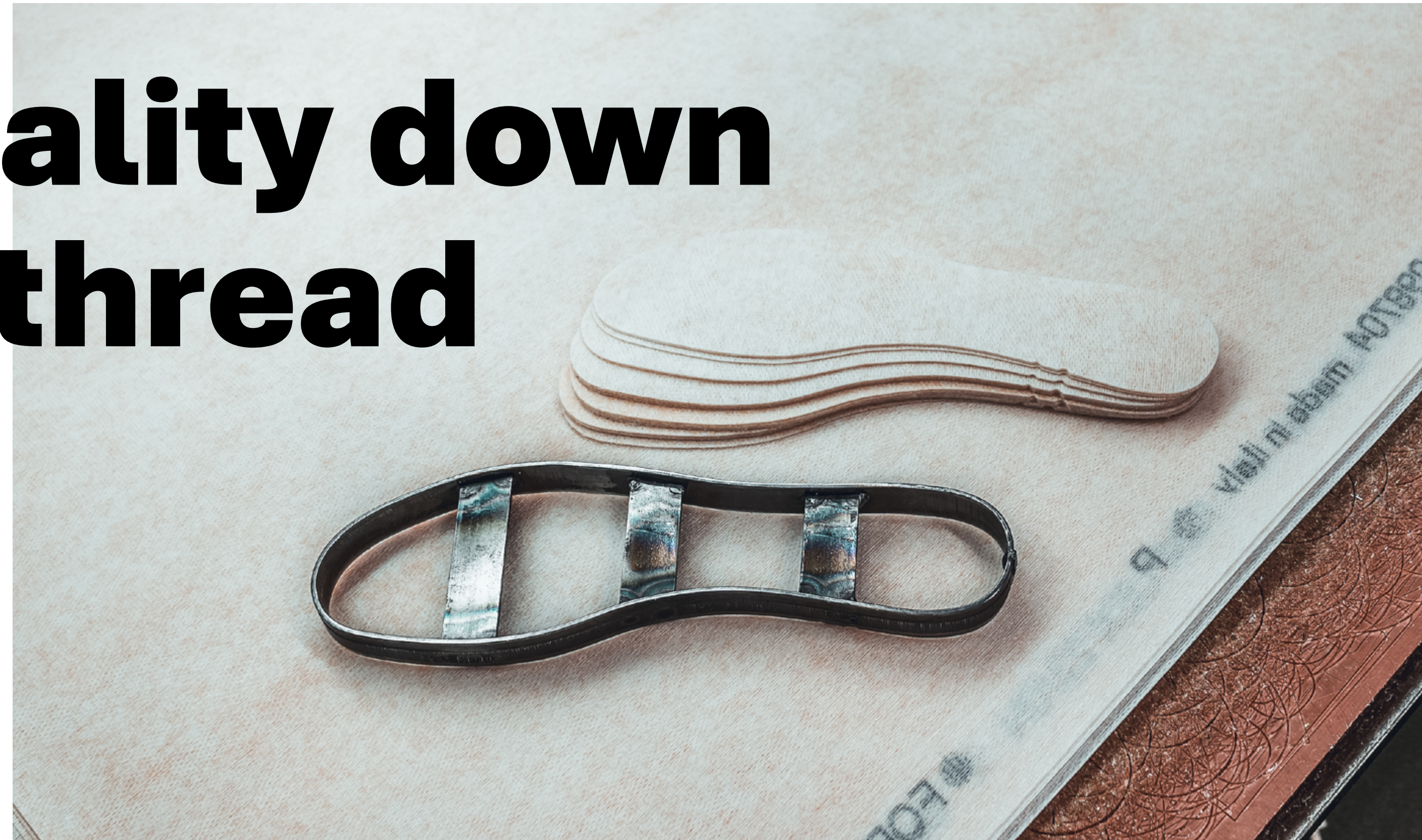
## Always one step farther

In choosing our individual components our own standards set special benchmarks in terms of quality and sustainability. At the moment LOWA is working on a new guideline for sustainable product development. From 2027 we will only bring products on the market that comply with that guideline. The aim of this guideline is to further minimise our environmental impact while maintaining the quality of our shoes. That is why we are focusing on sustainable, bio-based materials.

One priority is the gradual increase in the proportion of recycled materials. In particular, the materials used for outsoles, ethylene-vinyl acetate (EVA), rubber and polyurethane (PU), offer great potential. We are currently analysing how high we can set the recycled content without risking a loss of quality.

We are reducing emissions by shortening our supply chains and procuring 100 per cent of our leather from Europe for

our "Made in Europe" models. We demonstrate our efforts with certificates. Our leather should bear a gold certificate from the Leather Working Group (LWG). As far as possible, the textiles used should be certified to internationally recognised standards such as Oeko-Tex® Standard 100, bluesign® or GRS. In this way, coupled with the high standards of quality we set for our materials, we want to continuously increase the eco-friendliness, transparency and useful life of our products.



LOWA trusts in tested materials.



## We reject what is harmful

As a founding member of [cads e.V.](#) we routinely pay attention to the minimum use of chemicals and freedom from harmful substances. To give an example, LOWA does not use nanotechnologies, antitranspirants, biocides and anti-mould agents. We have the chemical safety of our products and materials verified regularly and at random by recognised, external laboratories. We are furthermore sharply focused on moving away from other harmful substances such as per- and polyfluoroalkyl substances and perfluorinated chemicals (PFAS/PFCs).

It is now known that the manufacture of water-repellent treatments may have a negative impact on health and the environment. That is why we have set ourselves the target of completely dispensing with PFCs – both in the materials we use, and in production and finishing treatment. The problem: alternatives that possess the same water-repelling properties are hard to find. Nonetheless, thanks to complex laboratory and field tests, and development in conjunction with our suppliers, we have already managed to convert the bulk of our work materials and are in the final stages of being able to make our entire Outdoor collection PFC-free by 01.01.2025. In 2024 we have already launched new items with Gore's PFC-free ePE membrane.

## Light-footed: our vegan shoes

LOWA is already making vegan shoes in its “LIGHT HIKING” and “TRAIL RUNNING” segments. To manufacture them, we checked all components of our shoes with the suppliers, and ensured that they contain no animal-derived elements – from the textiles down to the glue.

In addition, it is a challenge to find the right vegan materials for the respective shoe and its given use without

compromising on quality and functionality because longevity is only possible with certain materials and with high technical outlay. On the other hand, thanks to the material properties, LOWA can manufacture washable, lower-maintenance shoes that have a small CO<sub>2</sub> footprint and put less pressure on the environment. For example, in contrast to leather, the quality of vegan materials is constant across the entire breadth of the material. This means that we can optimise our patterns and reduce production waste.



**Our Mission:**

**100%**

**PFC-free alternatives  
– with no compromise  
on quality.**

Trimming excess polyurethanes (synthetic materials) and rubber from the mid- and outer sole.



# High-standard leather

For us, “Made in Europe” doesn’t only mean that our shoes are manufactured in Europe, but also that the leather originates in the EU.

As a robust, long-lasting material, leather is an important component for LOWA. High standards and regular checks guarantee that the tanneries work is as environmentally friendly as possible. We exclusively use the hides of cattle which are by-products from the meat industry.

One advantage of using European leather is that harmful effects on people and the environment in other regions of the world are ruled out. One of the risks, for instance, is deforestation for the purpose of creating grazing land for cattle. We work with various European tanneries who obtain their raw materials from the EU. Our partner tanneries are located in Germany, Italy, Poland, Spain and Croatia.



Leather experts:  
Martina Hanausek and  
Christian Ludy.

Although standards in the EU are already very high, LOWA is in close consultation with its partner tanneries with the aim of exceeding them. One of our oldest partners is [Heinen Leather](#) which, with [terracare](#), has set a standard that far exceeds legal requirements. Our other partners, such as [Dani](#), [Viviani](#) and [Dercosa](#) are also well-known for their ambitious sustainability goals.

## Multiple certification

Together we have set ourselves the target of developing all partner tanneries to the [Leather Working Group’s](#) (LWG) Gold standard by 2025.

Eleven of the 15 tanneries who supply LOWA in Europa are certified by the LWG, six with the highest Gold standard, five with the second-highest Silver standard. The LWG assesses

tanneries on the basis of [17 criteria](#) in the areas of procurement, environmental protection, chemical safety and occupational safety.

The four tannery partners who do not hold LWG certification already have an independently high standard and are on the way to obtaining certification.

One future exception to our procurement of European leather will be for our Outdoor Essentials collection in Vietnam. A comprehensive review of procurement reached the finding that the use of LWG Gold-certified tanneries based in Vietnam, from whom we exclusively obtain hides from the USA, will lead to lower environmental impacts overall. This also secures a deforestation-free supply chain, and reduces transport emissions compared with the use of European leather.



# Thoroughly checked:

## Material tests at the LOWA Laboratory

It's rattling, whirring and buzzing at LOWA's in-house test laboratory. On the test benches, instruments are working non stop to test materials that have just arrived.

The physical properties of work materials and shoes are inspected at the 120 sqm test laboratory in Jetzendorf which was inaugurated in 2020. And there are quite a few properties to be checked: 56 testing instruments examine the materials on the basis of 60 different criteria. "That's how we ensure that the finished shoes meet our quality standards and our customers' requirements," explains Jana Fiedler, Head of Quality Assurance. "Because the better the components, the longer-lasting the shoes."

Apart from the soles and footbed, all new incoming goods go through the laboratory. This is how LOWA ensures that inferior deliveries or material weaknesses are instantly identified and removed. No fewer than 6,800 tests were conducted at the LOWA laboratory in 2023. The areas tested include the tensile strength of shoelaces, the wear-and-tear behaviour of textiles, and leather's flexural strength.

Apart from the physical tests at the in-house laboratory, chemical tests – such as the chromium content of the leather – are conducted at external institutions. "We don't make any compromises on quality," Jana asserts. "For over 100 years we have been using only the best materials for our shoes."



**A look at the laboratory:**  
Flexural strength is being tested by the flexometer.



# Over the distance

Repair service for a long-lasting shoe

Repairs save resources and relieve the environment. LOWA shoes are made in such a way that all heavily-used parts can be replaced – getting beloved “old friends” back in shape for the next adventure.





“We receive around 40,000 shoes for repair and treatment every year.”

Arthur Kudelka, Head of the LOWA Service Department

## All the parts of a LOWA shoe that can be repaired

Border Lining

Hooks, loops and eyelets

Insoles, Speed Laces, Shoelaces and other small parts

Heel lining

Seams

Heels

Soles

Saying yes to a sustainable future is also saying no to the throw-away society. Since its foundation, LOWA has focused on the reparability of its shoes. “That is ecological, and also economically worthwhile for our customers,” says Arthur Kudelka who has been running the Service Department for over 15 years. His 21-member team at the repair workshop in Jetzendorf are passionately engaged in refurbishing worn-out or damaged shoes.

### Biggest demand is for new soles

“We receive around 40,000 shoes for repair or treatment every year,” Arthur says. “That includes some 16,000 new soles, 2,000 new heels, and 1,000 other repair enquiries. There are also shoe returns. We’ve seen demand for repairs increase continually over the last 15 years.”

LOWA offers six repair services: apart from replacing soles and heels, these include seam, hook, heel lining and border trim repairs.

The Service team will also make alterations at the customer’s request if there are problems with fit, or reworking is needed. In addition, the new shoe kit includes consumables such as laces, insoles and quick fasteners.

### A trip through the workshop

Arthur explains how the team handles a service order: “The shoe reaches us by post and is put into the system. It then goes to the corresponding department for repair or treatment. Here, for example, the shoe is being resoled in four individual steps.

After being resoled it is given some grooming, new laces and insoles. To finish off, we package the shoe together with a sample cleaner and care instructions, before returning it. Care is a crucial issue because it plays a major part in a shoe’s useful life and means fewer repairs.”



A woman with long dark hair, wearing an orange t-shirt with the LOWA logo, is focused on sewing a black boot component on a white industrial sewing machine. The background is a blurred factory floor with other workers and machinery.

# Supply Chain

We take responsibility for our supply chain.

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# Protecting people – ambition by tradition



The protection of human rights in our supply chain is also contributing to several United Nations Sustainable Development Goals.

LOWA stands for quality materials and expert manufacturing. We can only deliver on these promises when we protect the rights of the people working for us and our suppliers. They are the foundation of our company's long term success. They are our greatest asset. Therefore, our mission is: fair and environmentally friendly production throughout our entire supply chain.

For more than a century, our company has honoured its key values, such as respect towards our employees and lasting relationships with our business partners. The people in our supply chain are explicitly included in this. To put it in the words of our corporate mission statement: "At every step of the way, we are always aware of our responsibility towards our customers, suppliers, business partners and producers."

Our [Code of Conduct](#) (CoC) is the central document governing human rights protection in our supply chain. It was first established in 2012 and has been revised and extended in 2022 to the high international standards of the Fair Wear Foundation as well as environmental and business ethics.

Now, it sets ethical, social and ecological standards that apply to all employees of our company, subsidiaries and suppliers: prohibition of child labour and forced labour, regular working hours, fair wages, occupational health and safety and a safe working environment as well as anti-discrimination, freedom of association (FoA), the security of local communities and land rights.

## **Our Code of Conduct implements international guidelines**

The CoC is based on international guidelines, such as the principles of the [UN Global Compact](#), the [International Labour Organization's](#) (ILO) Declaration on Fundamental Principles and Rights at Work, the [OECD Guidelines](#) for Multinational Enterprises and the [UN Convention on the Rights of the Child](#). It further incorporates the eight standards set out in the [Fair Wear Code of Labour Practices](#) and additional social standards, some of which are rooted in the German Supply Chain Act. The CoC forms an integral, mutually binding component of the contract with our suppliers.

In 2023, LOWA joined the Fair Wear Foundation. LOWA's CEO Alexander Nicolai commented: "Our membership at Fair Wear shows how seriously we take our corporate responsibility. We are committed to upholding human rights, labour rights and environmental rights and constantly strive to improve their implementation."



# Human rights in the spotlight

Sustainability is a key element of our business model and integral to everything we do. Our Code of Conduct states: “Social, environmental and economic aspects are equally important and integrated into a comprehensive strategy at LOWA.” Correspondingly, our corporate mission statement enshrines sustainability as a key topic at the highest level of management. Alexander Nicolai, CEO of LOWA, holds direct responsibility for this approach. He reports to the supervisory board.

LOWA’s Corporate Responsibility (CR) team reports to the CEO and maintains an

ongoing exchange with a steering committee consisting of members of the upper management level, including executive management. This ensures that the strategic level of leadership incorporates human rights in all procurement- and production-related decisions.

Strategic, cross-functional working groups and expert-staffed project teams develop and implement concrete initiatives, such as in chemicals management, to improve health protection and environmental performance.



**A sustainability management framework has been established at the highest level of management to ensure that LOWA upholds its corporate responsibility.**



Excerpt from LOWA’s corporate mission statement





# From Europe to the world

LOWA chooses “made in Europe” whenever it can. The only exception to this rule: shoes and components which are technically impossible for LOWA to produce in Europe – these are sourced from Vietnam.

## Italy

**Company name:** LOWA R&D S.r.l.  
**Location:** Caselle di Altivole  
**LOWA subsidiary since:** 2021  
**Production:** Prototypes and R&D for LOWA Production

**Company name:** Garden Sport S.r.L  
**Location:** Montebelluna  
**LOWA partner since:** 1993  
**Production:** MOUNTAINEERING; TREKKING

## Germany

**Company name:**  
 LOWA Sportschuhe GmbH  
**Location:** Jetzendorf  
**Headquarters since:** 1923  
**Production:** MOUNTAINEERING, TREKKING; PROFESSIONAL and Prototypes

## Bosnia and Herzegovina

**Company names and locations:** BEMA d.o.o., Banja Luka und Mrkonic Grad; ŠKREBIĆ company d.o.o., Teslić; OBUĆA Zvornik d.o.o., Zvornik; KOGAT d.o.o., Tuzla; DERMAL R d.o.o., Kneževo  
**Production:** shoe uppers

## Slovakia

**Company name:** LOWA Production s.r.o.  
**Locations:** Bošany, Nitrianske Pravno, Handlova, Klenovec  
**LOWA subsidiary since:** 2019  
**Production:** HIKING, LIGHT HIKING, TRAVEL & WALKING, KIDS, PROFESSIONAL

## Croatia

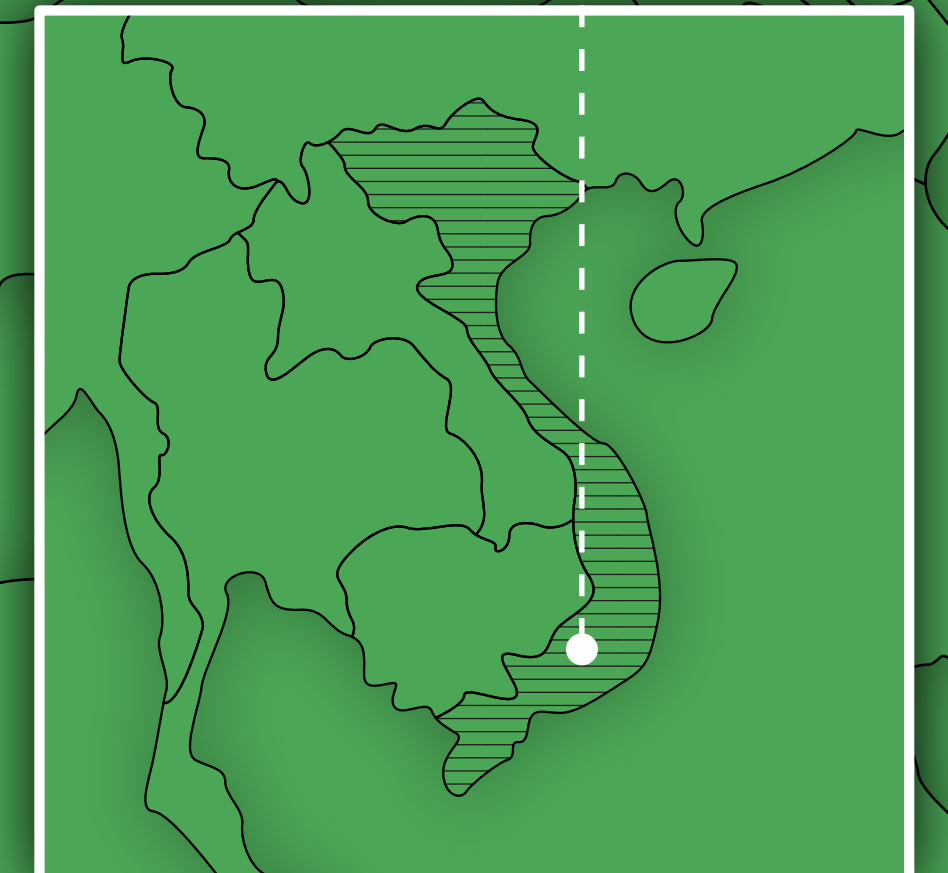
**Company name:** LORA d.o.o.  
**Location:** Križevci  
**LOWA partner since:** 1998  
**Production:** shoe uppers

## Vietnam

**Company names and locations:**  
 General Shoes Co., Ltd.  
 Binh Duong (since 2022); Pou Yuen,  
 Ho Chi Minh City (since 2023 / 24)  
**Production:** TRAIL RUNNING, LOWA OTD ESSENTIALS

## Albania

**Company name:** Alba Shoes Group SHPK  
**Location:** Kamëz  
**LOWA partner since:** 2023  
**Production:** shoe uppers





# Plan, improve, verify

We have analysed the main risks emerging from each segment of the supply chain (see table). The results are derived from regular audits carried out by LOWA and external auditors. To identify risks, LOWA also engages with local employee representatives and businesses and evaluates reports produced by third-party organisations.

## Eliminate and prioritise

LOWA elaborates Corrective Action Plans (CAP) to eliminate risks affecting employees of its production sites. All relevant business units are involved in this process, including senior management, human resources and occupational health and safety officers. We make use of every insight gained by our sustainability managers, auditors or other LOWA employees.

Every CAP contains detailed measures and timelines. Coordination and monitoring by LOWA are mandatory steps in this process. We review and document all progress, highlighting any need for additional support where applicable.

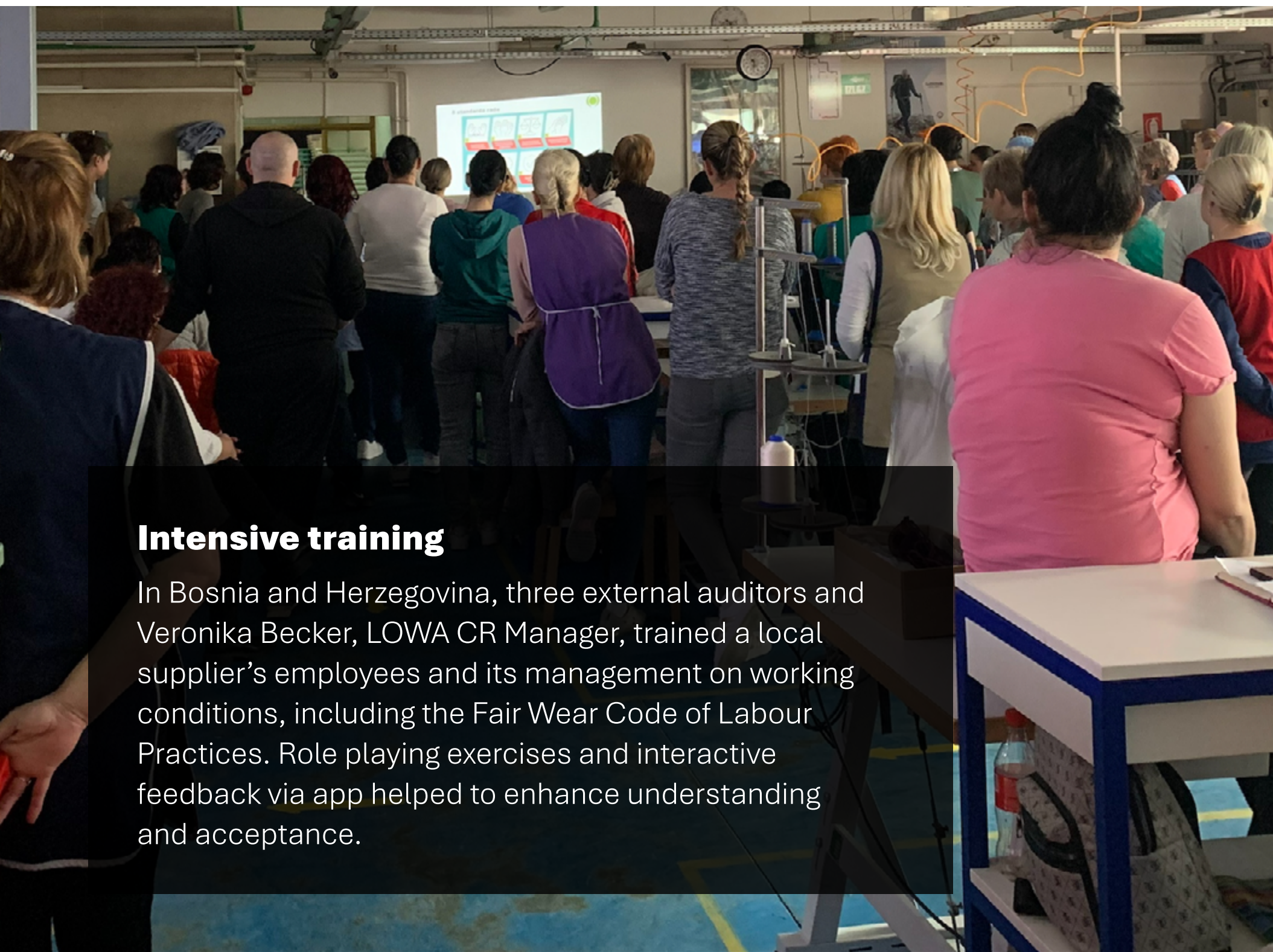
We prioritise whichever risks may pose the greatest danger to individuals or groups, especially disadvantaged ones.

| Country                | Production share LOWA in 2023 | Risk level (country / sector) | Major Human Rights Due Diligence risks identified                   |
|------------------------|-------------------------------|-------------------------------|---|
| Slovakia               | 54.5 %                        | medium                        | Health and Safety (H&S)   |
| Bosnia and Herzegovina | 28 %                          | medium                        | H&S, living wage, discrimination                                    |
| Germany                | 5 %                           | low                           | discrimination  |
| Italy                  | 5 %                           | low-medium                    | H&S, FoA, discrimination  |
| Vietnam                | 3.5 %                         | high-medium                   | living wage, forced labour, FoA, discrimination, working hours, H&S |
| Croatia                | 3.5 %                         | low-medium                    | H&S   |
| Albania                | > 1 %                         | medium                        | H&S, living wage, discrimination                                    |



# Preventing and eliminating risks

With precise policies and procedures, LOWA ensures that production partners respect and protect human rights and their employees.



## Intensive training

In Bosnia and Herzegovina, three external auditors and Veronika Becker, LOWA CR Manager, trained a local supplier's employees and its management on working conditions, including the Fair Wear Code of Labour Practices. Role playing exercises and interactive feedback via app helped to enhance understanding and acceptance.

## Assessment and onboarding of new suppliers

LOWA conducts an initial risk analysis to assess human rights and environmental risks for each country, region and production site. We continuously update this analysis with new information gained on-site. New suppliers are required to sign and comply with its [Code of Conduct](#) (CoC). The onboarding of production partners includes a company profile, a compliance declaration and a Fair Wear questionnaire. LOWA makes its CoC available in the suppliers' [local language](#) and conducts site visits to ensure that all employees are aware of it.

Before agreeing to a partnership, we visit potential production partners and hold discussions with their management, executives, employees, employee representatives and other relevant stakeholders, clearly communicating our stance on human rights.

## Monitoring and implementation of Fair Wear standards

LOWA has been monitoring compliance with its CoC at the production sites regularly since 2012. Suppliers are required to grant LOWA representatives and external auditors access to their facilities and documents. 2023 LOWA became a member of Fair Wear and started to

onboard all production partners to the Fair Wear Code of Labour Practice as well as the updated LOWA CoC. In this process, we visited all Bosnian, Croatian and Vietnamese partners and documented areas for potential improvement. Most of these revolved around occupational safety, such as safe handling of machines, chemicals or workplace ergonomics. In addition, we appoint external auditors for site visits, which result in a Corrective Action Plan between the supplier and us. LOWA also organises employee training programmes that convey the values and regulations outlined in the CoC.

## Responses to violations

If a supplier fails to comply with any part of the CoC despite being requested, it will be subject to sanctions. Remedial actions are agreed with the supplier. In case of serious, persistent violations, the business relationship will be terminated.



# Action against breaches

LOWA is alerted to any non-compliance of its requirements by visits, audits and whistleblowing reports. Any misconduct is followed up with high sensitivity to protect individuals and identify structural problems.



## **LOWA Whistleblowing system**

The Code of Conduct (CoC) contains a QR code leading to a whistleblowing platform, which enables employees from internal and external production sites to report actual and potential violations confidentially and anonymously. The reports are received by a specially trained and appointed internal officer at LOWA and an external ombudsperson. We encourage all employees to report in case misconduct or human rights violations are identified. The reporting person is protected from retaliation by LOWA's whistleblowing policies and the Code of Conduct.

Throughout the entire review process, LOWA maintains a dialogue with the affected parties using a secured channel, providing updates on the case and following-up on finding solutions to remediate in case of breaches or misconduct.

## **Measures against misconduct**

If a whistleblowing report is plausible and the follow-up confirms non-compliance, the procedure is analogue to an

Audit's finding: Root causes of the violation are identified as well as the extent of the misconduct – whether the problem is an isolated incident or a structural issue. This information is also flowing back into the risk assessment of the region or facility. The process to remediate findings is depending on sensitivity of the situation:

1. Responsible management is informed and instructed to ensure improvement.
2. Corrective measures are planned together with all involved parties.
3. The progress of the requested improvement is monitored and reviewed.
4. The parties involved in the incidents receive training to ensure understanding of the regulations. Serious breaches can result in sanctions, including termination of the contract.
5. Final meetings with the affected parties determine whether the problem has been solved.



# Remediation and step by step improvement: **three examples.**

## Slovakia

Health and Safety risk in chemicals handling: Employees were not sufficiently protected.

### Measures:

- Discussions with managers and employees on incentives to wear the protective equipment, increased training
- Planning of extension of suction devices
- Installation of air conditioning, increased extraction of solvents
- Planning of significant investment to mitigate the chemical exposure

**Status:** Air conditioning has improved the air quality and ventilation. Ongoing and extended training on protective equipment usage still remains necessary. Additional machine building measures and the reduction of chemical use are still examined. Further modifications will be implemented as part of mid-term investments.

## Bosnia and Herzegovina

Reports about working conditions, i. e. payment and working environment.

### Measures:

- On-site visit, interviews, document review
- Dialogue with supplier and commitment to comply with the CoC, communication of potential sanctions by LOWA management
- Audit, verified correctness of payrolls, contracts, severances. CAP to improve correct documentation and H&S
- Training on LOWA & Fair Wear labour standards for employees and management

**Status:** Improvement of transparency and dialogue with workers, H&S measures. Commitment of supplier's management to further CAP follow-up.

## Germany

By default, the payroll software calculated a slightly reduced or increased salary for some part-time employees for specific days.

### Measures:

- Review of payroll calculations for the past four years for all affected employees
- Involvement of HR to find the best solution to optimise the payroll software
- Introduce changes to the payroll software as of 1 January 2024
- All affected employees were informed. Those who received a slightly reduced salary were reimbursed. The total amount for four years was a mid-four-figure. No repayment was demanded from employees who received too much salary

**Status:** Successful optimisation in payroll system that also led to more comprehensibility and fairness. LOWA has taken the report provided by an employee as an opportunity to modernise the payroll system for part-time employees.





# “We believe in cooperation at eye level”

Veronika Becker, CR Manager of LOWA (centre), here together with Mária Srnková, CR Officer LOWA Production (left), visits the production sites regularly.

LOWA does not rely solely on its sustainability regulations. Certain practices, often the result of dialogue and co-creation with the people on-site, have proven effective to implement solutions comprehensively.

## **Veronika, why is it important to keep in personal contact with the production sites?**

Veronika Becker: For some topics, especially when it comes to people and production conditions, there's no substitute for face-to-face conversations. Our regular visits, which take place once a year at least, establish a relationship of trust between us and our suppliers. Not just to the managers, also with the people working in production. It's easier to be honest about challenges when you know someone personally.

## **Do you have an example?**

We recently discussed the purchase of ergonomic furniture with a partner. While this does involve an upfront investment, it tends to lead to fewer sick days. This argument usually convinces our partners to invest in occupational safety and preventative measures. Smaller ideas, such as the provision of furniture from LOWA stocks, are also often the result of on-site visits.

## **Who travels to the suppliers?**

We often travel as a group, which is in line with our Code of Conduct: Corporate Responsibility is an essential aspect of all our business areas, such as Planning, Procurement, Production and Quality Assurance.

## **What is important when it comes to a conversation?**

We believe in equality across all levels. In a dialogue, we explain why certain changes are needed. We also want to listen to our partners' views, as this is the only way to truly understand their challenges and find solutions. This close partnership and support helps us solve problems effectively. Our experienced local shoe technicians can tell us whether the time requirements for the workers are fair and realistic and adjust them if necessary. For example, we have a colleague who has worked for LOWA for around 30 years. He speaks several Slavic languages and helps us to understand, plan and implement measures at the local upper stitching facilities.

## **What are the most difficult obstacles?**

Some of our suppliers in Eastern Europe are small businesses. Workers' Unions are not very established or acknowledged there. In the Code of Conduct, LOWA guarantees the right to freedom of association and collective bargaining. This is usually associated with unions and worker representatives. However we cannot simply expect to change the absence of unions in the facilities overnight and must understand and strengthen their form of worker representation. So we provide training courses to inform the employees about their rights instead and empower them to claim those rights.



# Committed and connected



**At LOWA, we firmly believe that networks of like-minded companies and organisations are an important contributing factor to effective nature conservation and environmental protection.**

Alexander Nicolai, CEO



Multiple partnerships, networks and memberships underline LOWA's commitment to sustainability. Here's an overview.

When it comes to new partnerships and memberships, values are a decisive criterion for us. Our participation in associations and organisations, such as the Fair Wear Foundation, allow us to gain new insights and ways of improving our sustainability. This includes following up on audit reports together with suppliers and other brands to focus on the actual improvement areas.

LOWA is member of the BSI, the German Federal Association of Sporting Goods Industry, where it participates in the CSR working group to address topics such as environmental protection, social initiatives and animal welfare. In the European Outdoor Group association, LOWA along with other companies in the outdoor sector encourages responsible interaction with nature and seeks ways to reduce environmental impact.

LOWA's most visible sales collaboration are the 41 Schöffel-LOWA Stores (as of June 2024). Schöffel, another member of the Fair Wear Foundation, provides outdoor, sports and leisure clothing. The joint outlets enable customers to buy complete sets of responsibly sourced clothing – from head to toe.

## Memberships and commitment

We are a founding member of [cads](#), a sustainability initiative of manufacturers and suppliers campaigning against toxic substances in shoes. Its member companies voluntarily undertake to comply with the strict requirements laid down in the cads Catalogue of Restricted Substances in Shoes.

As a member of the [European Outdoor Conservation Association](#) (EOCA), LOWA supports worldwide nature conservation projects together with other European outdoor companies.



# Environment & Climate

We minimise our climate impacts and contribute to climate protection.

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# Preserve the future

## In harmony with the environment and climate



Our environmental and climate protection activities take several of the United Nations' Sustainable Development Goals into account.

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.

Our overarching goal is to shape our own activities in keeping with the planet's limits, and to keep our impact on ecosystems, climate and resources as low as possible. In this way LOWA wants to live up to its function as an industry role model, while also fulfilling the expectations of a growing proportion of our customer base.

One major focus here is our ambitious goal of becoming climate-neutral by 2050. To this end LOWA is developing a comprehensive [decarbonisation strategy](#) to systematically reduce emissions along the entire value chain.

A central lever for climate protection involves expanding the use of [renewable energies](#). LOWA makes consistent use of photovoltaics and in recent years has significantly increased the amount of solar energy it produces itself.

The example of Holger Hahnemann demonstrates that LOWA has also made sustainability part of its daily life. As a sales representative, he chose to switch to an [electric vehicle](#) and is testing its day-to-day suitability for those working in sales.

LOWA however also makes valuable contributions to environmental protection when it comes to small things – whether it's [resource conservation](#) in the office, or through employees [cycling to work](#). Our [adventure guides](#) for children show that sustainability at LOWA also includes the youngest among us.

Last but not least, LOWA is involved in a [special species](#) protection campaign: we sell our LOWINGO cuddly toy, with proceeds going to the WWF.

As varied as these activities are, they all pursue the same goal: to preserve the natural bases of life for us now and for future generations. Because only in an intact environment with a healthy climate can LOWA continue to help people experience the beauty of nature close-up.



# Next stop: climate neutrality

Net emissions down to zero: that's LOWA's climate target. But what are the biggest sources of CO<sub>2</sub>?

LOWA wants to be climate-neutral by 2050. That is a requirement under the UN "Race to Zero" initiative which the company plans to join. "To achieve that, we are currently working on a decarbonisation strategy," says Annika Jestädt who, as Head of Corporate Responsibility, is driving LOWA's climate turnaround. "We want to halve our emissions in the areas of scope 1 and scope 2 by 2027, and reduce them by 25 per cent in the area of scope 3."

Identifying emission sources along the entire value chain and ultimately curbing them is at the heart of LOWA's climate strategy. The first step on the journey is the greatest possible transparency. "Only if we know in detail

where greenhouse gases are being produced and at what levels can we identify hotspots and effectively reduce our CO<sub>2</sub> emissions", Annika explains.

To achieve this transparency, LOWA has firstly identified the values for emission areas scope 1 and scope 2. Scope 1 encompasses all direct emissions that are produced in the company's own facilities, for example through the consumption of gas or oil. Scope 2 relates to indirect emissions from purchased energy. For 2023, scope 1 emissions account for 1,379 tons of CO<sub>2</sub>, scope 2 for 2,284 tons.

LOWA sees the greatest potential for reducing scope 1 and 2 in the energy supply to its facility in Bošany, Slovakia: production currently accounts for around half of the company's total scope 1 and scope 2 emissions. "As soon as we can fully supply the facility with green electricity, we will get a big step closer to our goal," says Annika confidently. To this end LOWA is planning to install large-scale [photovoltaic units](#) on the facility's roofs.





### The first Corporate Carbon Footprint

Identifying scope 3 emissions – produced in the upstream and downstream supply chain – are harder to identify. In total, scope 3 emissions are broken down into 15 subcategories. For LOWA, seven of these are relevant including purchased goods and services, production waste, business trips, and employee commutes.

“We assume that we will have all data at our disposal by mid-2024 and will then be able to present our first complete Corporate Carbon Footprint.”

Annika Jestädt, Head of Corporate Responsibility

On the basis of what is known as expenditure-based data which provides an initial rough overview of a company’s emission values, LOWA estimates that scope 3 emissions account for 80 to 85 per cent of its total CO<sub>2</sub> footprint. The life cycle analysis for a LOWA shoe substantiates this assumption, suggesting that around 84 per cent of emissions come from production of materials, which falls into the area of scope 3.

“However,” as Annika emphasises, “the estimated values of the spend-based data are not sufficient for a detailed analysis. That’s why we are currently collecting the primary data for the entire Tier 1 supply chain – in other words, our suppliers’ actual consumption and emission values. It is only with this data that we can develop concrete decarbonisation measures for the supply chain.”

LOWA has one crucial advantage when it comes to reducing scope 3 emissions: unlike other manufacturers, the company largely produces shoes itself. “The energy-intensive processes of production, such as attaching soles, are carried out in our own facilities,” Annika explains. So what normally occurs in the upstream supply chain as scope 3, is largely in-house at LOWA, making it scope 1 and 2. “That’s very good, because we control these processes ourselves. That gives us far more potential for reducing emissions under our own steam.”



## Leather: curse and blessing

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. Initial analyses show where the biggest emission sources for purchased materials can be found: right at the top are textiles, followed by rubber and synthetics that are primarily used for soles. “We’re going to begin here and start increasing our use of more sustainable materials,” Annika says.

The most concerning of the work materials is leather. Although it is not the biggest cause of emissions per se, according to official calculation methods, if calculated on a square metre basis leather manufacture emits by far the greatest amount of greenhouse gas. The upside, on the other hand, is that leather does not need to be manufactured as it is a by-product of the meat industry. It also possesses a property that makes it particularly sustainable: longevity.

“Considered in isolation, leather doesn’t have a good CO<sub>2</sub> footprint,” Annika concedes. “But with the right care, leather shoes can be used for a very long time. This means that across the entire life cycle they often produce fewer emissions than shoes made of other materials that need to be replaced more quickly. We will therefore continue using leather, but will ensure that we procure leather that meets the highest quality and environmental standards. So that also means that all of the leather for our ‘Made in Europe’ models will come from Europe.”

## Scope 3 at LOWA

Calculating scope 3 emissions is complex, as much data has to be gathered outside the company’s own facilities. Overall, a company’s scope 3 emissions break down into 15 subcategories. For LOWA seven of these are relevant:

**Category 1:** Purchased goods and services

**Category 4:** Upstream transport and distribution

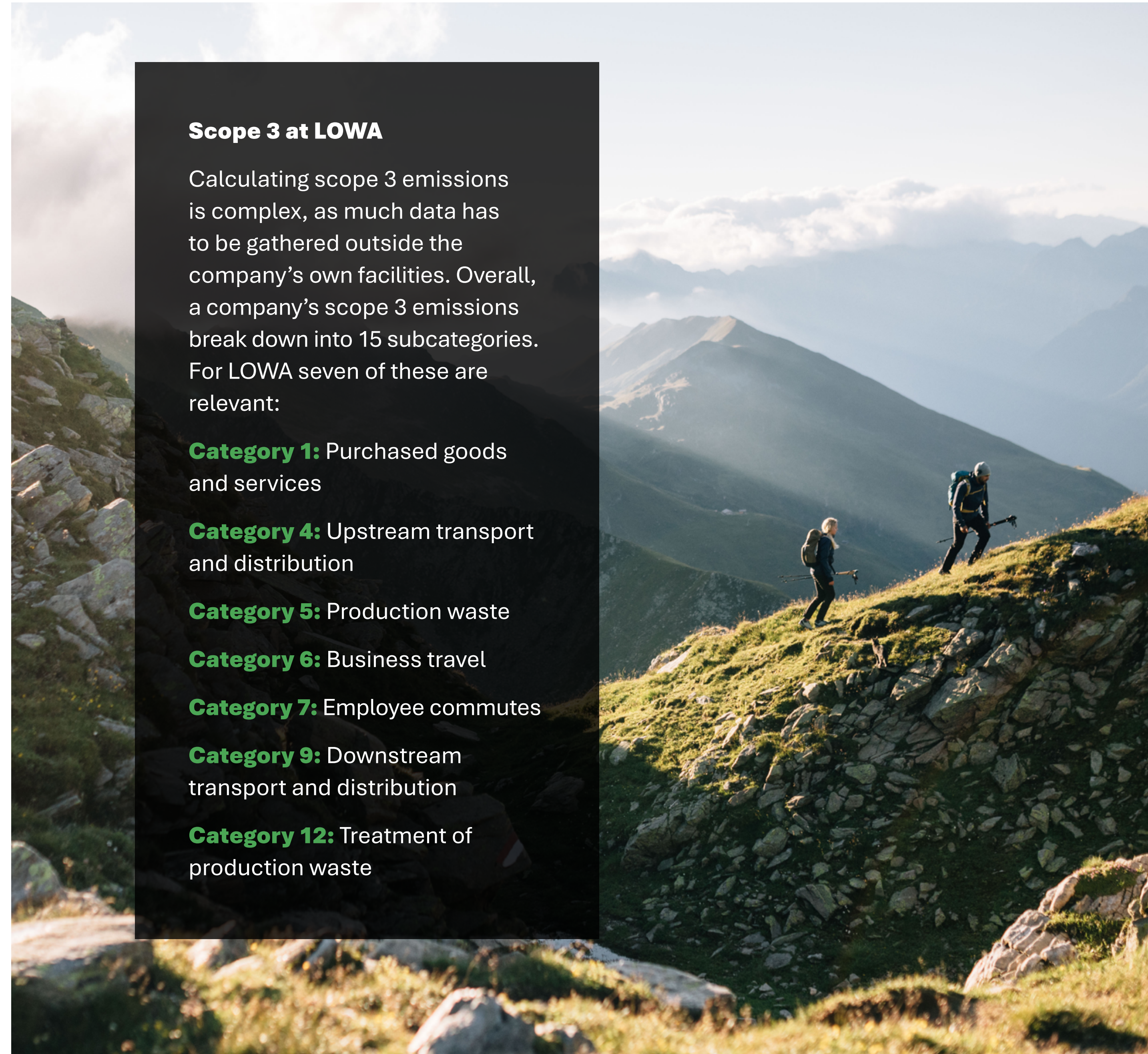
**Category 5:** Production waste

**Category 6:** Business travel

**Category 7:** Employee commutes

**Category 9:** Downstream transport and distribution

**Category 12:** Treatment of production waste





# The sun's power

## Photovoltaics for a sustainable future



**LOWA's PV installations now cover more than half of its own electricity requirements in Germany.**

At LOWA we take climate protection very seriously. The consistent use of solar power is therefore a cornerstone of our sustainability strategy. By massively expanding our photovoltaic installations, in recent years we have significantly increased the proportion of green electricity that we produce ourselves, which meanwhile also extends to covering a large part of our electricity requirements at our Jetzendorf head office.

LOWA already started fitting photovoltaic installations on the roofs of its German facilities back in 2015. Solar modules were fitted wherever possible – on warehouse and production buildings or company parking spaces. With sustainable results: our own electricity production quadrupled from an initial 115,818 kilowatt hours in 2016 to an impressive 415,000 kilowatt hours in 2023.

### **60 per cent solar electricity**


We use around 265,000 kilowatt hours of our solar electricity ourselves. The rest is fed into the power grid. "Via our PV

installations we meanwhile cover around 60 per cent of our electricity requirements in Germany," explains Ingmar Anderson, Corporate Responsibility Manager. If more power is needed, it can be topped up at our own facilities entirely with green electricity. "In conjunction with extensive heat recovery, we are making our production as climate-friendly as possible."

But that's not all. Amongst other things, the self-produced solar electricity also supplies five e-charging points that can be used by employees with electric vehicles. An electric commuter bus that is still in its test phase is already being powered with solar electricity as well.

LOWA is not however limiting its commitment to renewable energies only to Germany. In recent years, the company has switched to green electricity in Italy too. The Bošany facility in Slovakia, where geothermal energy is already being used, is next. It is particularly important that the sun should supply the lion's share of the electricity requirement there, at LOWA's most energy-intensive production facility.





“**We make our living from people using our products to enjoy nature. Sadly, many regions are being overused. That’s why we are also committed to environmental and nature conservation.**”

Ingmar Anderson, Corporate Responsibility Manager



### **A peregrine falcon for species conservation**

As an outdoor specialist, nature is very close to LOWA’s heart. That is why we have partnered with the World Wide Fund for Nature (WWF). Central to this is LOWINGO, a peregrine falcon soft toy. Its sale supports the WWF’s species protection projects and helps to preserve the habitats of threatened species. LOWINGO is the feathered friend of the LOWA children’s mascots LO & WA, and is the ideal gift for nature lovers of every age.

### **Children discover nature with LO & WA**

LOWA’s Adventure Guide which appears every six months brings children closer to nature and distant lands in a playful way. The siblings, LO & WA, LOWA’s children’s mascots, travel around the globe with our young readers, sharing interesting facts with them about animals, plants and the environment. In each issue, children can look forward not only to exciting stories, but also lots of tips and instructions for making things and cooking. The Adventure Guide has been hugely popular since it was launched in 2016 and is meanwhile listed in Germany’s National Library.

### **Cycling to protect the climate**

Our Slovakian subsidiary, LOWA Production, successfully took part in the “Bike to Work” campaign in 2023. Organised by the Slovakian Ministry of Transport, the project encourages people to switch to bikes when travelling to and from work, for a month. At LOWA Production, 38 cycling teams took part in the campaign, together covering a total distance of 11,109 kilometres – and resulting in an impressive saving of 2,777 kilogrammes of CO<sub>2</sub>. Many more kilometres were also racked up using other climate-friendly modes of transport too. The result: total CO<sub>2</sub> savings of 3,748 kilogrammes.

### **Every contribution counts: resource conservation for paper**

At LOWA, our administration also practises environmental conservation. For instance, we constantly strive to reduce our paper consumption. To conserve resources, in Jetzendorf we use recycled paper with the “Blue Angel” label. Equally, we exclusively use recycled paper for our shipping cartons. By deciding to issue our Retailer Manual in digital format only, we have been able to save around 5 tons of paper. Expanding our online training programme for retail partners is also contributing to resource conservation.



# Testing e-sales

## On the road with an electric vehicle



Holger Hahnemann is LOWA's pioneer for sustainable mobility. After around five years as a sales representative, he swapped his combustion engine for an electric vehicle which he uses to travel around his sales territory in southwest Baden-Württemberg. In our interview he talks about his reasons, how he handles charging his vehicle, and the ways in which his driving has changed.

### **Holger, what persuaded you to switch to an e-vehicle?**

For me, switching to electromobility was an important personal contribution to climate protection. To see whether the switch made sense, I precisely analysed my driving behaviour beforehand. After mature consideration, I then approached LOWA and told them that I would like an electric vehicle.

### **Were there concerns?**

Yes, there were, but not at management level. Right from the start, my manager was enthusiastic although, of course, he was also unsure as to whether it would work. All the same, we quickly agreed that we wanted to give it a try. I have now been driving an electric vehicle since April 2023.

### **What effect has the switch had on your day-to-day working life?**

My route planning has hardly changed at all because I've always planned tours lasting several days. I have never driven 200 kilometres in an evening, just so that I could sleep in my own bed. However, now my driving is more laid-back: my top speed is 120 km/h. That extends the distance I can travel and ensures that I am more relaxed when I reach the customer. The number of customer visits has hardly dropped at all.

### **What challenges do you face when it comes to the charging infrastructure?**

Over time, one learns to find the right charging points – whether it's when I'm meeting customers or during my lunch break at a shopping centre. I only stay at hotels that have charging points, and I'm delighted that more and more retailers are now offering free charging points, with some of them even being powered by their own photovoltaic installations.

### **What would your advice be to colleagues who are thinking of making the switch?**

Firstly, they have to know how many kilometres they travel every day, and whether they are willing to adjust their driving style. They won't be able to do it with their foot on the gas in the fast lane. But if they take a far-sighted approach to driving and do a little planning, there's no problem at all.



# People & Company

We create an inclusive,  
safe working environment.

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# For people

## Our social responsibility



Whether it is the Code of Conduct, health management or social engagement – LOWA puts the individual centre-stage.

LOWA puts every effort into protecting, strengthening and supporting people. As a long-standing company that is closely interwoven with society, we want to make an active contribution to positive developments inside and outside our company gates.

Our [LOWA Code of Conduct](#) is the basis for ethical business operations. It defines obligatory standards for working at LOWA and for our interaction with business partners and producers.

Employee health and safety are the top priorities for LOWA. This is demonstrated, for instance, at our Slovakian production facility in Bošany, where [Safety Officers](#) such as Dominika Čmiková are reducing the risk of accidents by means of training, inspection reports and technical improvements.

LOWA orients itself to international and recognised [ISO standards](#) to enshrine quality, safety and environmental protection in all of its business processes. These certifications guarantee that every decision made takes economic, ecological and safety aspects into consideration.

LOWA's company health management actively promotes the health and satisfaction of its workforce. The [figures are proof of success](#): in 2023, 1,705 employees took part in preventive health measures.

In addition, we regularly go further afield: we are supporting a large number of social and cultural projects from refugee aid to the construction of a school in Nepal with [donations of shoes and money](#). This involvement comes from our conviction that companies play an important role in resolving social challenges.

Often it is our employees themselves who bring in creative ideas. For example, Alois Gaul, Head of the Stitching Department / Cutting in Jetzendorf, has been organising a [tree-planting campaign](#) in Bavarian forests for many years. LOWA honours this dedication by bearing all costs for the annual campaigns.

These diverse measures and projects share the common goal of creating values that go beyond purely economic success. By respecting and valuing people, and making an effort on their behalf, LOWA is helping to shape a liveable future.



# Our guideline: The Code of Conduct

Fair working conditions and sustainable production are particularly important at LOWA. That is why we developed our Code of Conduct (CoC). In this binding Code of Conduct, we have set out our ethical, ecological and social standards that apply to all production facilities, partnerships, and relationships with our suppliers.

The CoC is based on international standards such as the principles of the UN Global Compact, the ILO's core labour standards, and the UN Convention on the Rights of the Child. It sets out clear rules on environmental and health protection, occupational safety, regulated working hours and remuneration, and on the observation of human rights. These include a ban on child or forced labour, guaranteed freedom of association, and an anti-discrimination policy.

LOWA ensures [compliance with the CoC](#) by means of regular internal and external audits. Any violations are documented and [resolved mutually and amicably](#). In this way we guarantee fair working conditions for all of our offices and production facilities.





# Safety in shoe production

## Occupational safety at our Slovakian production facilities



At LOWA, the protection of our employees is paramount. Training, inspections and technical improvements reduce the risk of accidents.

Dominika Čmiková knows that when it comes to occupational safety, nothing can be left to chance. She has been working as a Safety Officer at LOWA Production, LOWA's biggest production facility in the Slovakian region of Bošany, for four years. LOWA employs a total of around 1,900 people in Slovakia.

"I train employees, inspect workplaces, and check whether everybody is wearing their personal protective equipment. I also ensure that escape routes are kept free, and that solvent extraction is functioning in the workplaces," Dominika explains.

To create a safe working environment, Dominika and the other Safety Officers work closely with management. Using inspection tours and reports, they identify weak points which are then remedied in tandem with the company's management.

### Inspecting and training

Working in shoe production is anything but straightforward, because it harbours many risks. Machines used

for punching and sewing can cause cuts, bruising or puncture wounds. Some steps of the work call for high pressure and great heat.

Dominika: "To avoid accidents, all machinery has to be meticulously inspected and serviced. In addition, the employees have to be kept informed about the risks on an ongoing basis."

Over the course of recent years, Dominika and her colleagues have been able to implement numerous improvements. Machines have been refitted and awarded 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. And a new wall protects employees from cold draughts.

### Ambitious goals

According to Dominika, the proper handling of chemicals in the workplace remains a problem which means that employees need to be repeatedly made aware of this subject.

For the future too, LOWA Production has set itself ambitious safety goals: "We reassess all occupational safety risks, revise risk assessments, and use a standardised process for inspecting the machinery," Dominika says. "Other measures are also being planned. In this way we are trying to reduce our accident rate to a minimum."



# Healthy work: Fact check

## Company health management

LOWA stands for a healthy, active lifestyle. To promote the health, occupational safety and satisfaction of all employees, we have aligned our company health management with ISO 45001 criteria. The aim is to strengthen employees' mental and physical health with a wide range of different measures. Some steps have already been taken as shown by the following figures:

# 4

health courses were offered in 2023, from back health courses to stress management workshops.

# 1,709

employees took part in the offered health programmes in 2023.

# 15%

of all employees chose to take the offered medical checkups in 2023. LOWA supports preventive health measures.

# 1,453

hours of occupational safety training were held in 2023 to boost occupational safety or to keep it at a high standard.

# 6.7

was the accident rate (Lost Time Injury Rate, LTIR)\* in 2022.

\*LTIR is time lost as the result of work-related accidents per 1 million hours worked.

# 90.2%

was LOWA's health ratio\* in 2023.

\*This value is analogous with the illness ratio (absences due to illness divided by the total working time of all employees, multiplied by 100).



# In accordance with clear guidelines

Three ISO certifications guarantee quality, safety and environmental protection

**Top quality of the products, protection of employees, and responsibility for the environment: at LOWA we know that these goals are not irreconcilable. With three management systems based on international standards in place at our head office and the goal of rolling them out still further, we are managing to achieve economic success while taking ecological and social responsibility.**



## Focus on quality: ISO 9001

With the internationally recognised ISO 9001 quality management system, LOWA ensures that high standards are met during every process step. To this end we have a stringent quality audit conducted every year by independent experts, and have all processes inspected. Ongoing improvements and ensuring customer satisfaction are central to these audits. This helps us to continuously improve our products and services, and ensure customer satisfaction.

## Protecting employees: ISO 45001

Healthy, motivated employees are key to our success. The ISO 45001 standard for occupational safety management helps LOWA to systematically reduce risks to safety and health. The competent employees analyse risks, put protective measures in place, and assess their efficacy. This minimises accidents and illness-related absences, and boosts our employees' well-being.

## For the environment: ISO 14001

Although environmental protection needs to be practised every day, it should also be oriented to clear processes. That is why we ensure the sparing use of natural resources with an environmental management system aligned with ISO 14001. Ambitious goals, concrete measures and regular performance reviews form the basis for continuous improvements. In this way we are reducing our ecological footprint step by step, and helping to future-proof our company.



# Focus on people: our social commitment

We support diverse social and cultural projects with funding and shoe donations. Our commitment extends from local refugee aid in Jetzendorf to the forest climbing park to sponsoring a local football club. We are furthermore driving global education and development projects with international initiatives such as [Education for all e.V.](#) and [KENIAL e.V.](#)

## Upwards out of the crisis

[CASA 21](#), a centre for homeless people in Frankfurt is using innovative methods for crisis intervention. Alongside classic support and counselling, the charitable organisation offers excursions and hikes in the mountains. LOWA supports this project by donating shoes, to help people in difficult life situations.



Alongside financial support for the reconstruction of a school, LOWA has been donating shoes in a collaboration with athletes to Nepalhilfe Beilngries for many years.

## A new school

In September 2013 it became clear that the school in the small village of Sangachok in Nepal's Sindhupalchok district was in a state of disrepair. Village residents asked the [Nepalhilfe Beilngries e.V.](#) for support. When LOWA heard about this, we donated EUR 75,000 to build a new school and for teaching material. Just two years later, the Shree Namuna Janasewa Lower Secondary School was able to open. Further construction measures followed. In 2019 a playground and computer rooms were added. 460 boys and girls are now learning there.

## Health education

LOWA supports the international non-governmental organisation [Outdoor Against Cancer](#) (OAC). OAC informs people about the benefits of sport and outdoor activities for cancer patients and other individuals with non-infectious diseases. OAC uses its expertise to get involved in EU health politics and initiates cross-border education programmes. As an ambassador and active member of the OAC partner network, we support this trailblazing mission.





Every year dedicated LOWA employees roll up their sleeves to plant new trees in damaged mixed forests.

At LOWA, many ideas for a sustainable future come from the employees themselves. These include communal tree-planting campaigns. Alois Gaul, Head of the Stitching Department / Cutting who has been with LOWA now for 47 years, offers some insights.

# Giving something back to nature

“ We have already planted more than 8,000 trees which has immensely strengthened our sense of community. ”

Alois Gaul

## **Alois, how did it come about that you regularly plant trees?**

The idea was born around 25 years ago in a small team. I was there from the start and have since been able to find any number of like-minded people for tree planting. We want to give something back to nature together. By reforesting, we are helping to preserve healthy mixed forests in mountain regions which are part of our precious ecosystems.

## **What reforestation do you support?**

Since 2001 we've been involved in a project in the Bavarian State Forests. On one weekend every year in autumn, we plant around 550 saplings, including beech, larch and fir in the Bavarian mountain forests and slopes. The ground conditions are often challenging so it takes a lot of effort. But it's worth it: we have already planted more than 8,000 trees which has also immensely strengthened our sense of community.

## **How does LOWA encourage your efforts?**

Our management gave its generous and willing support to

the project right from the start. LOWA pays EUR 5,000 every year to the forestry company, and covers the full costs for travel with company buses, accommodation and catering for everybody involved.

## **Speaking of buses: what have you come up with in terms of commuting to work?**

At our offices in Jetzendorf, we already had the idea of organising buses for travel to work years ago. That reduces individual trips to and from work, it's kinder to the environment, and creates additional proximity. At present, around 50 employees are availing of this service. I am one of them and I travel to and from work around 90 kilometres each way with one of the buses.

## **What are you planning next?**

We firstly want to keep up all of the good initiatives that are already in place, and get more employees involved in them. There's a lot of motivation because we all share a close connection with nature.



# The next steps

Our goal is to make the good even better. That applies to both our sustainability activities and to everything we do at LOWA. We will continue to develop our products, respond to new customer wishes, and improve our materials and functionality. That is why in terms of sustainability we will also be driving further measures, establishing changes, and setting new standards for people and the environment.







Our [products](#) are the basis of our sustainability. That is why we will have carried out life cycle analyses for 80 per cent of our shoes by 2027. This will enable us to find ways of reducing environmental impacts. In addition, we are working on innovations to increase the longevity of our products. We will also be tackling the low recycling rate for shoes by seeking suitable solutions for products at the end of their useful lives.

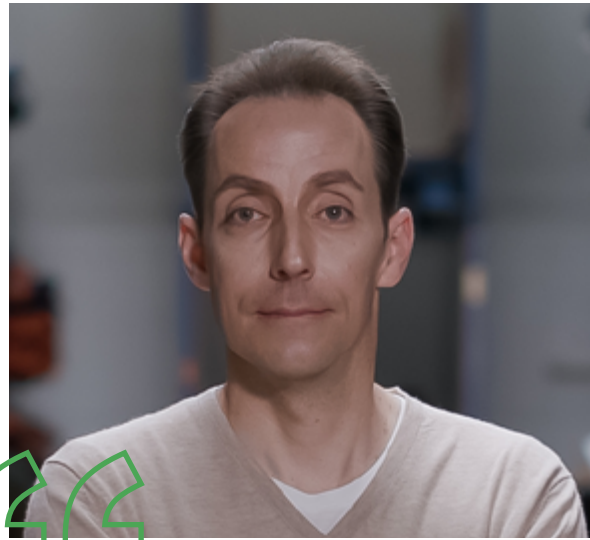
We are consolidating our standards along our [supply chain](#). To this end we are ensuring that corrective action plans from audits are consistently tracked, and measures implemented. We are also extending our value chain by adding partners in Vietnam. It is very important to us that the same standards will apply there as for our EU partners. We are continuously working to improve working conditions with our production partners, and strengthen employee rights.

To protect the [environment and climate](#), we have a clear goal: climate neutrality. Every kilogramme of CO<sub>2</sub> that we cut out along the way counts. We can achieve this target with, for example, innovative energy concepts and the use of solar power at our facility in Slovakia. In addition we continue to work on reducing our production waste, and we are supporting sustainability projects at national and international level.

In future too, we will continue to take our responsibility very seriously, and will be doing all in our power to connect [people and company](#). Our values-oriented corporate management will therefore grow in line with our aspirations. We are part of a community that wants to experience and protect nature. We will therefore continue to encourage our employees' ideas and initiatives, and lend our support to people worldwide.

**We are ready for the next step!**





**As employees, our love of nature and our deeply-rooted ties with LOWA mean that the entire company works as a community. So we all put sustainability into practice at LOWA and we are driving it forward together.**

Ingmar Anderson, Corporate Responsibility Manager



**It isn't always easy to obtain reliable data and relevant key figures. But only with them can we ensure that all sustainability activities meet our standards and that our efforts are effective. Our shoes prove: sustainability and quality go hand in hand.**

Annika Jestädt, Head of Corporate Responsibility



**In Slovakia, we are creating a future-proof, modern facility. To this end we are continuously expanding and improving our social and environmental standards. It's a win-win situation for everybody involved.**

Mária Srnková, CR Officer LOWA Production



**For us, sustainability isn't a trend. It is a fundamental part of our operations and it is deeply enshrined in our corporate philosophy. We can also see this in the diverse activities of our employees who engage with this issue.**

Alexander Nicolai, CEO



**Our long-standing partnerships along the supply chain allow us to produce high-quality shoes. To ensure that we can do so over the long term, we are continuously developing our production facilities: the better the working environment for our employees, the better the products.**

Veronika Becker, Corporate Responsibility Manager



# Figures

We collected all data in line with the Global Reporting Initiative (GRI) standards.

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# Key Figures Product & Supply Chain

|  |  | LOWA Group       | Unit     |
|--|--|------------------|----------|
| <b>Purchased production materials</b>        | <b>synthetic textiles</b>                                    | <b>779.6</b>     | <b>t</b> |
|  | <b>leather</b>   | <b>611.4</b>     | <b>t</b> |
|  | <b>cardboard and paper</b>                                   | <b>102,825.8</b> | <b>t</b> |
|  | <b>soling materials</b>                                      | <b>2,870.0</b>   | <b>t</b> |
| <b>Production facilities &amp; Suppliers</b> | <b>Production Countries</b>                                  | <b>7.0</b>       | <b>n</b> |
|  | Share of production volume EU (pairs)                        | 98.9             | %        |
|  | Share of production volume Asia (pairs)                      | 1.1              | %        |
|  | Share of production volume EU (labour cost share)            | 96.5             | %        |
|  | Share of production volume Asia (labour cost share)          | 3.5              | %        |
|  | <b>Production facilities (shoe and uppers manufacturing)</b> | <b>17.0</b>      | <b>n</b> |
|  | of which have been internally audited and CAPs agreed        | 15.0             | n        |
|  | of which were externally audited according to FWF standards  | 0.0              | n        |
| <b>Leather suppliers</b>                     | <b>Leather suppliers</b>                                     | <b>15.0</b>      | <b>n</b> |
|  | Share of suppliers LWG Gold certified                        | 40.0             | %        |
| <b>Products</b>                              | <b>Pair of shoes resoled</b>                                 | <b>15,965.0</b>  | <b>n</b> |
|  | <b>Pair of shoes with heel repair</b>                        | <b>2,436.0</b>   | <b>n</b> |



\* = Data incomplete  
 n/a = Data not available  
 - = Data not relevant



# Key Figures Environment & Climate

|                                 |   | LOWA Group                                   | Unit                 | Germany        | Italy          | Slovakia        | Switzerland  | US           |
|---------------------------------|---|--|----------------------|----------------|----------------|-----------------|--------------|--------------|
| <b>Energy</b>                   | <b>Total energy consumption within the organization</b>             | <b>13,402.0</b>                              | <b>MWh</b>           | <b>2,748.7</b> | <b>817.5</b>   | <b>9,287.6</b>  | <b>370.9</b> | <b>177.3</b> |
|                                 | Of which fuel consumption   | 5,815.7                                      | MWh                  | 1,828.7        | 550.0          | 3,040.3         | 292.7        | 104.0        |
|                                 | of which gas consumption  | 3,338.3                                      | MWh                  | 97.0           | 251.0          | 2,989.0         | 0.0          | 1.3          |
|                                 | of which diesel consumption   | 807.8  | MWh                  | 326.0          | 299.0          | 35.0*           | 147.8        | 0.0          |
|                                 | of which petrol consumption   | 334.2  | MWh                  | 70.3           | 0.0            | 16.3*           | 144.9        | 102.7        |
|                                 | of which fuel oil consumption                                       | 1,335.4                                      | MWh                  | 1,335.4        | 0.0            | 0.0             | 0.0          | 0.0          |
|                                 | Of which electricity consumption                                    | 7,586.3                                      | MWh                  | 920.0          | 267.5          | 6,247.3         | 78.2         | 73.3         |
|                                 | of which purchased renewable electricity                            | 987.5  | MWh                  | 641.8          | 267.5          | 0.0             | 78.2         | 0.0          |
|                                 | of which self-produced solar energy                                 | 264.8  | MWh                  | 264.8          | 0.0            | 0.0             | 0.0          | 0.0          |
|                                 |   | <b>Total self-produced solar electricity</b> | <b>415.1</b>         | <b>MWh</b>     | <b>415.1</b>   | <b>0.0</b>      | <b>0.0</b>   | <b>0.0</b>   |
|                                 | <b>Energy intensity ratio per sold pair of shoes</b>                | <b>4.3</b>                                   | <b>kWh</b>           | <b>-</b>       | <b>-</b>       | <b>-</b>        | <b>-</b>     | <b>-</b>     |
| <b>Water</b>                    | <b>Fresh water use, total</b>                                       | <b>16,748.0</b>                              | <b>m<sup>3</sup></b> | <b>2,872.0</b> | <b>1,508.0</b> | <b>12,368.0</b> | <b>n/a</b>   | <b>n/a</b>   |
| <b>Greenhouse gas emissions</b> | <b>Own greenhouse gas emissions, total (Scope 1+2 market based)</b> | <b>3,662.5</b>                               | <b>t/CO2e</b>        | <b>478.4</b>   | <b>116.9</b>   | <b>2,927.7</b>  | <b>68.8</b>  | <b>70.8</b>  |
|                                 | of which gross direct (Scope 1) GHG emissions                       | 1,378.8                                      | t/CO2e               | 475.3          | 116.9          | 693.9           | 68.8         | 23.9         |
|                                 | of which gross direct (Scope 2) GHG emissions, market based         | 2,283.8                                      | t/CO2e               | 3.1            | 0.0            | 2,233.8         | 0.0          | 46.9         |
|                                 | of which gross direct (Scope 2) GHG emissions, location based       | 817.1  | t/CO2e               | 2.1            | 0.0            | 786.7           | 0.0          | 28.3         |
| <b>Waste</b>                    | <b>Amount of waste, total</b>                                       | <b>1,662.8</b>                               | <b>t</b>             | <b>177.5</b>   | <b>30.2</b>    | <b>1,455.1</b>  | <b>n/a</b>   | <b>n/a</b>   |
|                                 | of which hazardous waste  | 480.8  | t                    | 7.2            | 2.4            | 471.2           | n/a          | n/a          |
|                                 | of which non-hazardous waste  | 1,182.0                                      | t                    | 170.3          | 27.8           | 983.9           | n/a          | n/a          |
|                                 | of which waste for disposal   | 777.7  | t                    | 54.7           | n/a            | 723.0           | n/a          | n/a          |
|                                 | of which waste for recycling  | 376.5  | t                    | 115.6          | n/a            | 260.9           | n/a          | n/a          |
|                                 | of which waste for reuse  | 0.0  | t                    | 0.0            | n/a            | 0.0             | n/a          | n/a          |



# Key Figures People & Company

|   |   | LOWA Group   | Unit        | Germany     | Italy       | Slovakia     | Switzerland | US         |
|---|---|--------------|-------------|-------------|-------------|--------------|-------------|------------|
| <b>Diversity &amp; Employees</b>            | <b>Employees, total (as of 31.12.23)</b>                    | <b>2,105</b> | <b>n</b>    | <b>303</b>  | <b>69</b>   | <b>1,657</b> | <b>50</b>   | <b>26</b>  |
|   | of which full time employees                                | 1,986        | n           | 224         | 60          | 1,652        | 29          | 21         |
|   | of which part time employees                                | 119          | n           | 79          | 9           | 5            | 21          | 5          |
|   | of which permanent  | 2,068        | n           | 266         | 69          | 1,657        | 50          | 26         |
|   | of which temporary  | 126          | n           | 37          | 0           | 89           | 0           | 0          |
|   | of which <30 years  | 195          | n           | 27          | 5           | 150          | 7           | 6          |
|   | of which 30–50 years  | 1,120        | n           | 133         | 36          | 923          | 20          | 8          |
|   | of which >50 years  | 790          | n           | 143         | 28          | 584          | 23          | 12         |
|   | of which female employees                                   | 1,396        | n           | 147         | 27          | 1,192        | 19          | 11         |
|   | of which male employees                                     | 709          | n           | 156         | 42          | 465          | 31          | 15         |
|   | <b>Women's rate, total employees</b>                        | <b>66</b>    | <b>%</b>    | <b>48</b>   | <b>39</b>   | <b>72</b>    | <b>38</b>   | <b>42</b>  |
| Women's rate in Executive Management        | 10  | %            | 0           | 0           | 33          | 0            | 0           |            |
| Women's rate in Middle & Upper Management   | 63  | %            | 0           | 0           | 63          | 50           | 40          |            |
| <b>Occupational Health and Safety</b>       | <b>Health rate</b>  | <b>90.7</b>  | <b>%</b>    | <b>93.3</b> | <b>96.7</b> | <b>90.8</b>  | <b>n/a</b>  | <b>n/a</b> |
|   | <b>Accident rate (per 1,000,000 working hrs.)</b>           | <b>6.7</b>   | <b>Rate</b> | <b>2.5</b>  | <b>31.3</b> | <b>6.7</b>   | <b>0</b>    | <b>0</b>   |
|   | <b>Lost time incidents</b>                                  | <b>22</b>    | <b>n</b>    | <b>1</b>    | <b>3</b>    | <b>18</b>    | <b>0</b>    | <b>0</b>   |
| <b>Compliance &amp; Anti-Discrimination</b> | <b>Reports received and followed up</b>                     | <b>11</b>    | <b>n</b>    | <b>-</b>    | <b>-</b>    | <b>-</b>     | <b>-</b>    | <b>-</b>   |
|   | <b>Reported cases closed within year</b>                    | <b>8</b>     | <b>n</b>    | <b>-</b>    | <b>-</b>    | <b>-</b>     | <b>-</b>    | <b>-</b>   |
|   | <b>Remediation rate of reported cases of discrimination</b> | <b>100</b>   | <b>%</b>    | <b>-</b>    | <b>-</b>    | <b>-</b>     | <b>-</b>    | <b>-</b>   |
|   | <b>Compliance and anti-discrimination training sessions</b> | <b>8</b>     | <b>n</b>    | <b>-</b>    | <b>-</b>    | <b>-</b>     | <b>-</b>    | <b>-</b>   |



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