

L&E STUDIO

Impact Report

1 Jan - 31 Dec 2022



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From Lidia



This year marks the 9th year of L&E Studios. During 2022, I have been making some radical changes. I want L&E to step into its 10th year of business ready to scale and grow from the solid foundation that I have built for it so far.

L&E

When I started L&E back in 2013, I set out to become a disruptor in the fashion accessories market in two ways - to save what I can in centuries old knowhow and craftsmanship that was disappearing because of mass production; and to introduce a sustainable alternative counter-acting against disposable fashion and all the waste it produces.

From the onset this was not going to be easy. Every turn I took I chose the 'right' way which is always the harder way. But because of my choices along the way, I am proud to say that L&E has matured in such a robust and steady way that I would not have done it any differently if I were to start all over again. This year we received an award from the Schulthess Sustainable Fashion Design Challenge, which is the perfect recognition for a decade worth of hard work.

A lot has changed since I first started L&E and there are more brands that present themselves as sustainable alternatives. As a designer by profession, it is so natural for me to respond to that by keeping my inspiration rolling and develop new products.

But as we step into our 10th anniversary, I am going to take a step back to move things forward. We will focus on reducing our negative impact and educating our consumers. I need everyone to understand the impact behind their choices. When they can cut through all the noise, they will choose L&E as their go-to sustainable handbag brand.

To achieve this ambition, I decided it was time to work on our sustainability strategy and communication efforts. The first step was to work on and publish our first sustainability report to transparently report on the good, and areas for improvement. I can't wait to share our sustainability journey with you.

Love,
Lidia xxx 3

About L&E

L&E is a brand that designs and handcrafts lifestyle accessories, mainly handbags, using cruelty-free and environmentally friendly materials (Sector: Consumer Goods - Apparel, Accessories & Footwear). The brand trades under the legal entity of JoMulla GmbH, which is a privately owned incorporated entity headquartered in Zurich, Switzerland, with a studio in North Macedonia. Our products are sold through our online store, showroom, several retail partners, and artist's events held across Switzerland.

The company's supply chain starts with product designing in Switzerland. Our materials are sourced from European suppliers and sent to our studio in North Macedonia. All finished goods are distributed from Switzerland to retail partners or the end consumer. There have been no changes to our supply chain between 2021 and 2022.

The highest governance body in the organization is solely managed by our CEO and founder of the company, Lidia J Mueller.

L&E is a member of the 1% for the Planet community, Form Forum.

L&E welcomes all types of suggestions to continuously learn and improve our design and operations. During this reporting period there were no fines issued against the company concerning non-compliance with any law and regulations.



We are constantly looking for ways to reduce our negative impact and bring positive impact through our products. L&E is committed to provide for and/or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to. For any external stakeholders that wish to seek clarification or raise any concerns to us, they can do so using the contact details on the contact page on our website, or directly using the chat and contact form functionalities. These concerns will be reviewed directly by Lidia to investigate and provide stakeholders with feedback according to the outcomes of the investigation.

For questions about L&E or this report, please use the following contact details.

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About This Report

Acknowledging that this is our first year preparing a voluntary sustainability report to provide our stakeholders with more transparency, we wanted to do it right. This report was prepared in collaboration with a certified GRI Sustainability Professional. It is prepared with reference to GRI standards so that it would be based on internationally recognized standards.

Lidia has been the key driver on this initiative including endless reviews to make sure that everything reported is accurate. After months of working and refining our approach she finally gave her stamp of approval for this release.

As GRI Standards do not yet have a set of Sector Standards for our sector, we have conducted our materiality analysis with the aid of the topics suggested under the Sustainability Accounting Standards Board's (SASB) Sustainability Accounting Standards for *Apparel, Accessories & Footwear* within the Consumer Goods sector. We also used the UN Sustainable Development Goals (SDG) to help us map how each area under the GRI Topic Standards would contribute (positively or negatively) towards our global targets.

In the spirit of a multi-stakeholder approach, whilst we did not speak to companies in the same sector, we benchmarked 6 other fashion and accessories SMEs of similar size as L&E that were based across different continents. Our condition was that the company must have issued a sustainability report in the past two years, to understand what the commonly reported material topics in the sector are.

These concepts were also validated by the sustainability consultant that we have been working with – whom is also an L&E customer. Finally, this was discussed and reviewed with the L&E team.

By cross-referencing the relevant areas back to the GRI Topic Standards, the following Topic Standards were shortlisted as potentially being material to L&E's operations. The Topic Standard that is highlighted was finally not included in our sustainability report because L&E has no material impact to report on related to that area whilst it is relevant to our sector in general.

Environmental

GRI 301: Materials 2016
 GRI 302: Energy 2016
GRI 303: Water and Effluents 2016
 GRI 305: Emissions 2016
 GRI 306: Waste 2020
 GRI 308: Supplier Environmental Assessment 2016

Social

GRI 204: Procurement Practices 2016
 GRI 401: Employment 2016
 GRI 404: Training and Education 2016
 GRI 405: Diversity and Equal Opportunity 2016
 GRI 406: Non-discrimination 2016
 GRI 408: Child Labor 2016
 GRI 409: Forced or Compulsory Labor 2016
 GRI 414: Supplier Social Assessment 2016

A few important data points that we need to disclose:

Reporting Entity	JoMulla GmbH trading as L&E Studio
Reporting Frequency	Annual
Publication Date	31-Dec-22
Reporting Period	1 January – 31 December 2022
Financial Reporting Period	1 January – 31 December 2022
Restatements for This Reporting Period	None. First report
Externally Assured	No

The L&E Story

In The Beginning....

It took me two years to set up the atelier in North Macedonia. It probably would have been much easier to find an atelier in Spain or Italy where handmade handbag makers can be found easily, but I wanted to support the sustainable development from my homeland, to provide decent jobs and pass on a skilled craft to our people.

Then There Were The Challenges

The challenge was huge because my designs are complex, they look minimal yet are multi-functional. Every piece works in a modular manner, there is not one single L&E product that cannot be combined or transformed to meet another purpose. To have the team that I have now is a dream come true as they are able to transform my complex designs into reality through exquisite craftsmanship.

Having the workshop in North Macedonia doesn't come without its trade-offs. Summers there are unbearably hot, and for the team to work comfortably throughout the day we cannot avoid the air conditioning in the atelier. In winter the heating is not consistently available neither as it is controlled centrally by the government. Whilst we compensate with a lot of awareness in energy usage, there is still room for us to do better.

I knew that I wanted my brand to be cruelty-free since the beginning. Back in the day there were far less fashion brands that pride themselves in designing for a more sustainable future, it was not easy to source sustainable, cruelty-free materials.

L&E



Fast Forward 9 Years

The R&D throughout these past years is what makes L&E's products so competitive today, with all our suppliers based in Europe – keeping our carbon footprint low and supply chain solid.

We now know, through trial and error, what kind of cruelty-free materials are truly sustainable and what are the trade-offs we need to make considering consumer preferences and versatility of the material. We have accumulated so much know-how in how to design for and handle non-leather materials to create quality and functional products. We have also built strong and lasting relationships with our suppliers that support our vision towards a fashionable, sustainable future. Even though we are a small batch producer, our suppliers support what we stand for to help us achieve our mission.

The end-product, is a solid customer base that are loyal and keep coming back for our award winning products.

Our Values

Our Mission

Lidia's dream is to have a durable biodegradable product that has very little impact to produce and leaves no traces in the future. This has become the mission for L&E in the past 9 years.

L&E captures the essence of "Handmade in Europe" in its range of ethically crafted luxury bags & accessories.

We are committed to bring conscience to the fashion consumers, empowering ethical action individuals to inspire others without compromising on looks. Because sustainable and ethical consumption can be chic.

L&E endeavours to provide small digestible solutions that our customers can incorporate into their daily lives to make an impact and highlight how those changes can affect the big picture.

Our vision is to be Europe's leading Digital Native Vertical and circular brand, putting sustainability, practicality and our customer at the core of our business.



Our Purpose

L&E stands for Lidia & Entourage because we believe that our collective efforts will help us achieve our mission. No one can help save the world and achieve sustainability alone. Our motto is 'buy less, buy better'.

We want to empower ethical action individuals to achieve their maximal potential in their daily life without compromising their environmental and social values. We are certain that purchasing a circular good is the new way of consuming luxury.

We gift to the world timeless items made with love for our customers, our people and our planet.

Our Locations

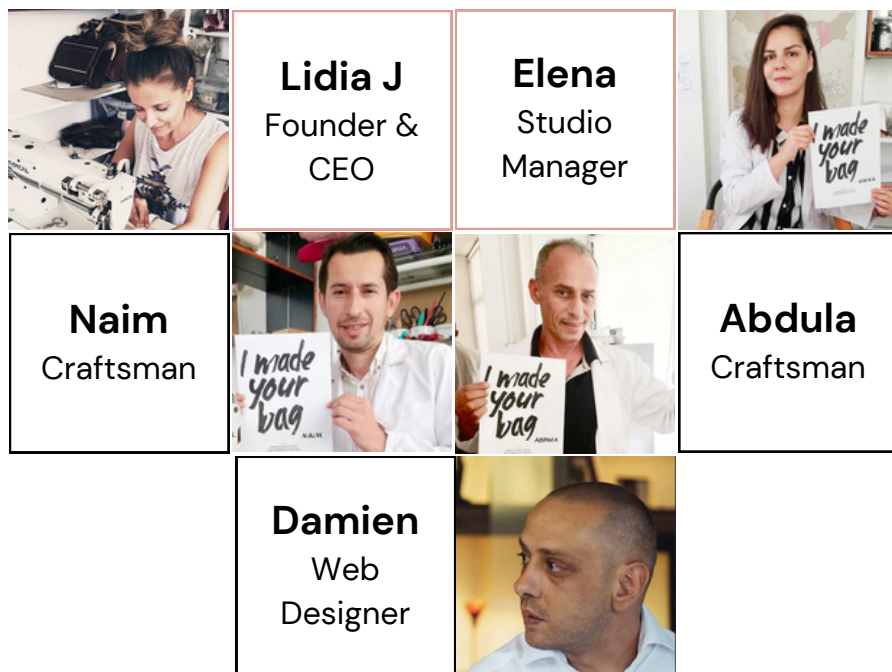


Staying local for us is important to support the local economy, development and have a more sustainable operation. Whilst we are realistic that we cannot source all our materials in North Macedonia or in Switzerland alone, we are thankful to be in a large continent where we are all connected by the same land. Hence, we made a conscious choice to maintain our entire supply chain within Europe.

Our furthest supplier in Spain is approximately 2800km away from our studio, which is still closer than the distance between travelling within some countries. For example, from Sydney to Perth in Australia is at least 1000km farther!

We made a conscious choice to maintain our entire supply chain within Europe to reduce our carbon footprint.

The Team



The L&E team is spread across two locations, Lidia is based in the Switzerland headquarters managing most of the business-related matters, whilst the rest of the team are all based in North Macedonia at the Studio, where all the real action happens.

In Zurich we have our headquarters where Lidia designs the products, sales and distribution, marketing, and L&E's sustainability roadmap. She develops all of L&E's sustainable policies (such as our Zero Waste policy and our supplier selection policy), projects, and sets the operational objectives.

The Studio is where our craftsmen Abdula and Naim spend their hours handcrafting each L&E product from start to finish. It is also where Damien 'crafts' our website! The Studio is managed by Elena who oversees our processes and ensures internal compliance to our sustainable practices and policies.

At the moment L&E has no temporary employees or employees with non-guaranteed hours. We have committed to providing for descent jobs that will allow our staff to feel secure with their continuity and committed to what they do.

The Team

All employee data are expressed by headcount as per the end of the reporting period.

	Female	Male	Total
Permanent Full-time	2	2	4
Permanent Part-time	0	1	1
Total	2	3	5
Age Groups	Female	Male	Total
Under 30	0	0	0
30-50	2	2	4
Over 50	0	1	1
Total	2	3	5

In the coming years, we would like to pass on the craft to the younger generation, giving them a gift for life – traditional skills and craftsmanship.

Prior to COVID-19, L&E has been working on an apprenticeship programme where we would like to attract a younger age group to join our team on a voluntary basis to learn a new skill, for a limited time. We paused this project temporarily for the past two years as we wanted to put our staff's health and comfort at work as a priority, to provide them with sufficient space to work by not crowding the Studio.

We have also been active in collaborating with professionals that are not part of our payroll, but we don't consider them as suppliers as they're so close to us and our business.

We are grateful to have a community of passionate professionals that collaborate with us voluntarily without compensation based on our shared vision for a sustainable future in fashion.

These activities including support in accounting along the years, professional help in marketing and brand strategy during Q1 2022, and pro-bono support for the creation of this sustainability report during the second half of 2022.

Inclusion, Diversity & Equality

The long tenure of our team members is a reflection that the commitment to sustainable fashion goes both ways.

Since we onboarded the team in 2016, L&E has been supported by a small team of professionals that love art and craftsmanship and are determined to carry on this legacy. We are a diverse team with a good mix because we choose our team members based on what they can achieve and not anything else. Everyone is free to be themselves and bring in their creativity.

When the team was formed in 2016, we offered the studio manager position to Elena, to empower and encourage gender equality in management roles. 7 years later, the young former event manager is now an independent and autonomous production manager that takes care of an entire production process and the team in North Macedonia.

L&E is an inclusive team that offers equal employment opportunities regardless of the age and gender. It is often felt that age discrimination is against younger people and their lack of experience. However, there are many skilled craftsmen that struggle to find work outside of their own apprenticeship, due to their age.

Our two craftsmen, Abdula and Naim were already experienced craftsmen when they joined L&E.

Abdula became a craftsman in 1983, he was chosen because of his rich experience in handbag making and the ability to use his experience to find technical solutions for complex designs. On the other hand, Naim is young in age but he also has 20 years of experience in the field and the finesse in his craft is what inspires us every day.

Key Averages	Female	Male
Years of Experience	15.5	22
Tenure	8	7
Average Absentism*	0	0
Staff Departure	0	0
New Joiners	0	0

**Absentism is the number of days of unplanned leave during the year (excluding annual leave).
There were no work injury nor related lost days during 2022*

Our Business Partners

L&E Retailers

L&E has 9 retailers across Switzerland, and one in Bochum, Germany.



L&E Suppliers

In 2022, L&E worked with 14 suppliers in our supply chain.

Apart from the geographical proximity, we also apply our principles and values towards the suppliers that we work with.

Ethical employment

We understand that the fashion industry has a very poor reputation of exploiting “cheap labour”. The hazardous tragedy in Dhaka Rana Plaza is not an acceptable way of treating our fellow humans in exchange for lowering production costs. All our suppliers have been reviewed on a regular basis to ensure that they do not have any unethical employment practices such as:

- Employing child labour and/or exposing young workers to hazardous work
- Forced labour
- Ignoring health and safety protocols that are essential for a safe working environment

Our Business Partners

Aligned environmental values

In addition, our mission to circularity and environmental sustainability cannot be achieved without our supply chain. For that reason, we have a rigorous set of requirements and expectations when selecting our suppliers, the below are the criteria that we use to select our suppliers:

- We choose to work with suppliers that are close to us to reduce carbon emissions for transportation
- We prefer suppliers that have certifications validating their compliance to environmentally sustainable business practices including energy, water, waste management
- We do not want to exclude small enterprises that cannot afford certifications, as we know how it feels. Often, these small companies are family run businesses that pour their heart and soul into making quality materials. In these cases we will use our judgement call to visit them and see for ourselves before we commit to working with them

Our commitment to the planet doesn't stop with a simple set of supplier criteria. Each year, we critically review whether the materials that we use make sense. We are always on the hunt to test out new, innovative materials as well for continuous improvement to reduce our customer's footprint in their consumptions.

In 2022 we decided to change our dust bags even if they met all the above criteria. Our supplier was already producing dust bags that were made of recycled polyester from PET bottles. However, we had observed that the demand for this type of recycled material was increasing as it had become trendy. As such, this would encourage more virgin plastic to be created to be able to recycle them eventually. We did not want to be part of this vicious circle and encouraging more usage of plastic. We are currently on the hunt for suppliers offering good alternatives for us to make this switch.

Further extending our pledge to help our customers use less plastic and use materials that do not take years to regenerate, we also onboarded a new packaging supplier in 2022, replacing our boxes for shipping with regenerative grass paper. Our ambition is to partner with a reusable packing supplier in 2023 that will allow all our domestic orders to be dispatched with a reusable packaging that our customers can return to us, to be reused up to 22 times before being recycled by the supplier. Since 90% of L&E orders are delivered within Switzerland this will help reduce waste generation in our operations tremendously. In Q4 2022 we started a pilot with this solution to validate whether the solution is viable for our operations and customers.

For more details on the certifications, or our commentary for each supplier that we work with, refer to Our Materials section.

Our Impact

We wanted to link both all our positive and negative impact to the UN Sustainable Development Goals because no matter how big or small, we believe that our actions have an impact to our world's sustainable development.

This section was mapped based on the documentation "Linking the SDGs and the GRI Standards May 2022".

Designing-out Waste

3, 6, 11, 12, 13, 15

- Swiss designed multi-functional bags with add-a-bag system to maximize use
- Small batch production and hand cut material to ensure no material goes to waste
- Zero-waste policy where we do not throw any of our materials away

Mindful consumption

6, 7, 11, 12, 13

- Our entire supply chain is kept within the European region to control our emission.
- We acknowledge that our energy consumption in the workshop needs to be more efficient.
- We face difficulties to access clean energy in North Macedonia, electricity supply is controlled by the government
- Our suppliers share our values to operate in the most resource-efficient manner to handle resources and waste carefully

Sustainable Material 7, 12, 13, 15

- Main materials are sustainable leather alternatives, cruelty-free
- Other materials are recycled or renewable as much as possible
- We conduct extensive testing with our material to ensure its performance and durability

Preserving Craftsmanship 5, 8, 10

- Handcrafted in North Macedonia
- Offers employment opportunities to craftsmen, preserving traditional skills
- We treat men and women equal and see the value in their work because of how they work and not who they are
- We are not shy to put women in leadership roles
- Apprenticeship program to create opportunities for young talents



2022 Goals

1

Moving towards a circular business model

At the end of 2021, we declared our ambition to make L&E operate under a circular business model. Whilst we were already offering life-time repairs, we wanted to do more.

In 2022 we launched the Eco Cellulose & L&E 2nd Life project to help our customers treat their L&E products by reducing the waste it leaves behind, when they are ready to part with them.

2

Widen distribution network

During COVID we unfortunately had to part ways with our long-term retail partner and our flagship store in Zurich. Whilst L&E had built a strong customer base over the years and could continue to operate with its online store, we had to focus on finding new ways to let new customers discover us.

We had put a lot of emphasis on social media marketing, finding new stockists and taking part in artist events and markets to remain financially sustainable.

3

Amplify impact through collaborations

During 2022 we made the decision to find ways in amplifying our impact through collaborations.

We became part of the 1% for the Planet community to join forces with 4,815 companies around the world in supporting over 2,000 non-profit organizations. L&E contributes 1% of our revenues towards environmental impact.

2022 Highlights



Award

Winner of the Schulthess Sustainable Fashion Design Challenge



1% for the Planet

Joining forces to support 2104 non-profit organizations



Non-Plastic Packaging

90% packaging material switched



Circularity

Launched three projects creating a more circular product lifecycle

Our Operations

By describing our operations in 2022, this section also reports on our Greenhouse Gas (GHG) emissions in 2022. We have followed the GHG protocol to calculate the emissions and we hope to use this year's data as our base year for future benchmarking in GHG reductions. We have used the 2014 IPCC Fifth Assessment as reference for the Global Warming Potential (GWP) values applied to convert the emissions into CO₂e (tonnes).

It is important to note that L&E does not have any Scope 1 emissions, we are reporting solely Scope 2 and 3 emissions.

As this is our first year measuring these activities, we understand that the information is not accurate nor complete, the data has been collected to the best of our ability and we have made assumptions on the travel distances based on city distances.

As a company our total emission to run our operations in 2022 was 3.78 CO₂e (tonnes).

Note that this excludes any emission that was incurred by our suppliers to produce our material as we could not find sufficient information to help us estimate this.

3.78

CO₂e (tonnes)

TOTAL EMISSION 2022

=

2



BUSINESS CLASS

ZURICH-HONG KONG-ZURICH

Source: Google Flights, based on mid-range emission routing

The Headquarter

In Zurich L&E holds its headquarter and a showroom. Products are distributed, repaired, and returned to this office for the proximity to L&E main market. As L&E does not have its own physical store, the distribution network is handled via retailers, artist events, and markets across Switzerland.

In-store sales

All products are transported with ground transportation. Understanding that amongst all cities, the distance between Geneva and Zurich is the largest, we also have a local contact in Geneva for any business-related issues, to reduce the need and emission from long distance travelling for distribution within Geneva and Lausanne retailers. Our estimated emission was **0.0926** CO₂e (tonnes).

Online sales

27% of L&E sales are from our webshop and delivered via Swiss Post. More than 90% of our online sales were domestic orders within Switzerland. We did not have sufficient information to accurately measure the emission of our deliveries due to our website migration in Q1 2022. We have pro-rated the monthly average used actual sales from April onwards for the missing quarter, and estimated **0.273** CO₂e (tonnes) from our online sales distribution.

Event sales

The other main sales and distribution channel are events. In 2022, L&E made presence in 15 events, with a total carbon emission of approximately **0.335** CO₂e (tonnes) for all the trips. For the events that took place in Zurich, we have assumed an average of 8km per one way journey to try and be as accurate as possible in our calculations. Commute within the city during the events have not been taken into consideration as we use public transport as much as possible for short trips.



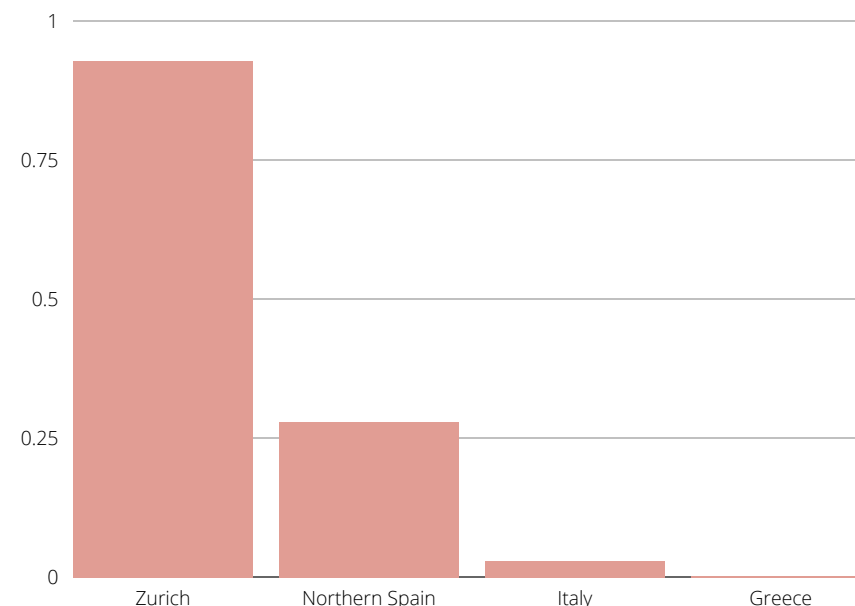
The Studio

L&E has set its main workshop in Skopje, North Macedonia, Lidia's hometown. The choice of location is not by accident or convenience, rather an act of contribution towards the sustainable development of a place that is dear to her heart.

The history of Skopje has been painted with the colours of influence from the East and the West, and Skopje Old Town was once a melting pot filled with craftsman from all trades. Pottery, jewellery, tailors and lacemakers, anything that would be crafted by hand. Over the years, craftsmen were slowly replaced by tradesmen. The value in creating objects with time, patience and skills started to die away in exchange for a quicker and higher turnover through imported goods. Craftsmen with skills either changed their career tracks or had moved away to other countries that valued their skills. L&E believes that sustainable development of a country means skilled citizens, that can create value not only through labour but through their know-how and experience. All L&E staff hired in the North Macedonia studio are local.

The trade-off for making such choices are the low energy efficiencies that the office location has. Due to the demanding and extreme temperatures, the studio's energy consumption is approximately 2664kw per annum. The consumption is required to ensure that there is a decent and comfortable working environment for employees. In 2021 we had updated our machinery which helped us reduce of our energy consumption for our productions.

All our materials are received from the suppliers to the studio, then sent to the Headquarter for distribution. We use collective transportation to keep our carbon footprint low. Our estimated emission was **0.2979** CO2e (tonnes). For a detailed list of all our materials, check Our Materials section.



Total Emission (CO2e tonnes) per City between North Macedonia

The below table summarises the total energy consumption across the two locations, based on the actual paid electricity bills.

	Studio (North Macedonia)
Total actual electricity consumption Jan - Sep (kwh)	1997.7
Forecasted* electricity consumption Oct - Dec (kwh)	665.9
<small>*Estimation based on average monthly Jan-Sep 22</small>	
Total	2663.6

Waste Management



L&E commits to creating a supply chain that creates zero waste.

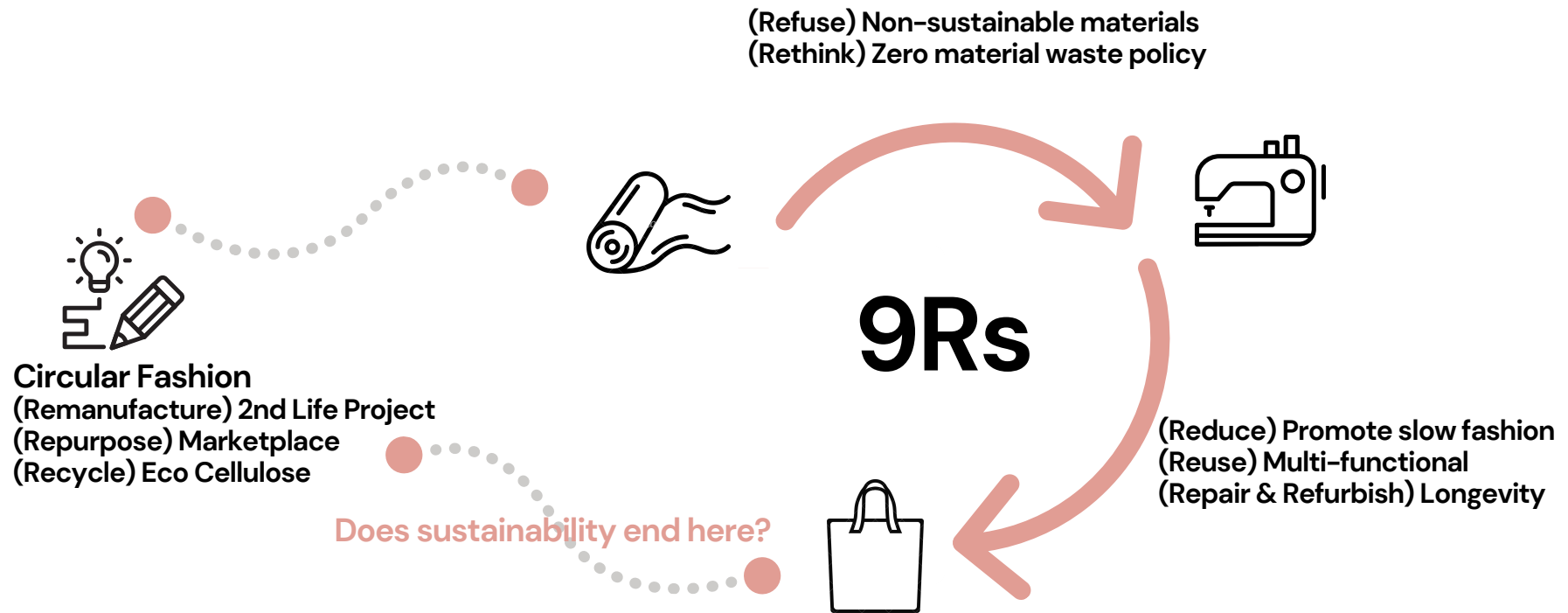
The fashion industry is one of the largest waste creators in the world where over 5.2% of the landfills are piled up with textiles. This is one of the key sustainability problems that is very close to the brand's heart.

Whilst we launched several projects to help extend the overall lifecycle of our products, the journey doesn't stop here. Each action and step within the supply chain equally matters.

Wherever possible, the L&E team follows the zero waste principles where:

1. Materials are hand cut to ensure no fabric is wasted
2. No plastic is being used in L&E product packaging anymore, and 90% of the packaging are made by paper waste
3. Packaging boxes are reused
4. Linings used in L&E bags are shifting towards up-cycled deadstock lining fabric (currently at 70%)
5. Webbing and metallic parts that are reusable are being repurposed into new products
6. Non-reusable metallic parts are collected and forwarded to a specialized recycling and disposal local company in North Macedonia

Circularity



Since day one, we have been offering life-time repair services to extend the lifespan of each L&E product and reduce waste. In the first half of 2022 we introduced a multi-year project to make L&E products truly circular, by collecting the non-compostable components from our customers for recycling and repurposing and educating them in how they can decompose their cellulose bags.

By November 2022 we also introduced the L&E marketplace for trading pre-loved L&E products. These three projects were part of our ambition to live and breathe the 9Rs to achieve a true circular economy in 2022.

Our Materials

Through years of testing countless leather alternatives and searching for the perfect suppliers that share the same values as us, we have established a foundation of core materials that we use across collections.

By consistently using the same materials we reduce waste through excessive materials that are only used for one season or collection. We challenge our creativity through our designs to create multi-functional handbags for our demanding users.

Sustainable and cruelty-free materials are not perfect. Whilst they do no harm to animals in its production, not all sustainable leather alternatives are fully biodegradable. We are cognizant that at the very end of the lifecycle, some of our products will still leave a footprint behind. That is why, we have been working on our circularity projects to reduce the need for new materials and extend the lifecycle of each product as much as possible. Our journey does not stop here, we will continue to look for materials and innovative solutions that will help us reduce the impact to the environment.

Material: Apple leather

Product Information & Certifications:

Trademarked product substituting portion of polyurethane used in synthetic fabrics with apple waste

Usage: Core material for handbags

Renewable: N

Made in: Italy

Supplier Information:

Eco energy and water equipment

Committed to making 100% circular product



Material: Threads made with recycled materials

Product Information & Certifications:

Certifications: GOTS, OEKO TEX 100, ZDHC, RSLs, BCI, Global Recycle Standard, Higg Index

Cradle to Cradle Certified®

Usage: Threads

Renewable: Mix

Made in: England & Germany

Supplier Information:

Both suppliers work under rigorous standards and publish their annual sustainability reports and certifications.

One of the suppliers has obtained certification that verifies its products are circular and the materials are not only from recycled sources but also renewable.



Material: Cellulose leather

Product Information & Certifications:

Recyclable cellulose made with plant fibres and small amount of latex

Certifications: EU Eco Label, REACH2015, CertifiedFSC

Usage: Core material for handbags

Renewable: Y

Made in: Italy

Supplier Information:

No chlorine is used for whitening the cellulose.

80% of the cellulose produced from paper mills recovering liquids during the process to produce electricity, steam and secondary chemical products.

Material: Recycled polyester webbings

Usage: Webbings

Renewable: N

Made in: Italy

Material: Recycled PET zippers with plant-based polyester tape

Product Information & Certifications:

Tape with 30% reduction in petroleum usage

Certifications: ISO 9001:2015 ISO 14001:2015 IATF16949 OEKO-TEX® STANDARD 100 Bluesign®

Usage: Zippers

Renewable: Mix

Made in: Greece & Italy

Supplier Information:

One of the main supplier applies eco dyeing technology and environmentally friendly plating technology using fewer resources to manufacture and without harmful plating chemicals.



Material: Microfibre leatherette

Product Information & Certifications:

Certifications: UNE-EN ISO 9001:2015 and UNE-EN ISO 14001:2015, Oeko Tex 100 No Harmful Chemical Used, Certified Vegan

Usage:

Lightweight and Textured Microfibre for the outer-shell Suede Microfibre lining

Renewable: N

Made in: Spain

Supplier Information:

Low energy and water usage in production

Installed water-recycling facilities to ensure safe wastewater disposal

Solare cells installed for clean energy, reducing CO2 emissions

Specialised air filters

Waste disposal management practices

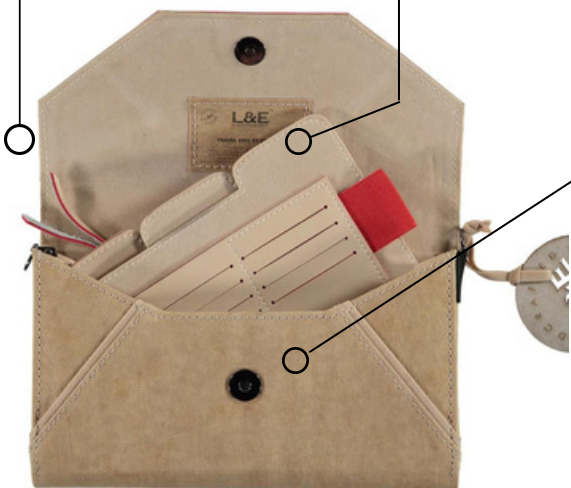
Recycle all pre-consumer waste back in the materials

Material: Up-cycled fabric (usually Nylon, polyester, cotton mix)
Usage: 70% of lining used in handbags
Renewable: Mix
Made in: North Macedonia
Supplier Information:
 Local supplier close to L&E studio
 Deadstock lining materials. Rarely have any supplier or composition information

Material: Elastics
Product Information & Certifications:
 Certifications: Oeko Tex 100
Renewable: N
Made in: Italy

Material: Metals
Usage: Various
Renewable: N
Made in: Italy
Supplier Information: 2 suppliers both based in Italy

Material: Nylon
Usage:
 30% of lining used in handbags
 Cease using virgin lining material once exhausted old stock
Renewable: N
Made in: Italy
Supplier Information:
 Custom-made branded nylon lining that was produced 8 years ago
 No new stock purchased since 8 years ago



Other Materials

Material: Packaging made with grass paper
Product Information & Certifications:
 100% European, non-plastic packaging
Usage: 70% of lining used in handbags
Renewable: Y
Made in: Germany
Supplier Information:
 Sustainable Brand of the Year (German Brand Awards)

Material: Textiles from recycled PET bottles textile
Product Information & Certifications:
 Certifications: Oeko Tex 100
Usage: Dust bags
Renewable: N
Made in: Italy
Supplier Information:
 Solar powered factory

Material: Recycled paper
Product Information & Certifications:
 Certifications: Oeko Tex 100
Usage: Labels
Renewable: Y
Made in: North Macedonia
Supplier Information:
 CO2 Neutral

Strategy and Goals for 2023

All in all, 2022 was a year of innovation and transition for L&E. Since its inception, L&E has been a pioneering fashion accessories brand that offered top quality, practical handbag solutions for environmentally conscious consumers. With the rise of so many sustainable alternatives in the world of fashion today, what started out to be L&E's competitive advantage is no longer the case, for the better. Whilst we are happy to see the larger movement in the industry, we started rethinking about where our focus needs to be and set the foundations to go full steam ahead.

How do we see 2023?

With popularization comes challenges in differentiation. The concerns around greenwashing are getting louder and louder. This means challenges posed to regulators to tighten up sector rules and enforcement, and even more so – the urgent need for consumers to regain trust in companies that make genuine efforts.

We know that we are small but mighty, we are genuinely making a positive shift in fashion, but we need everyone else to understand what that actually means.

Our focus in 2023 is exactly that, so that we can continue growing and be a relevant reference point to our peers in the sector and be THE choice of the consumers.

There is also a much stronger sense of urgency for businesses to help speed up the actions to combat climate change. Everyone is expecting companies to do more and not settle for the level of good that they have already achieved, the heat on the fashion industry is much hotter than it ever was.

Our goals and strategy in 2023

We must counteract against greenwashing through transparency and education to our customers. We must constantly look at how we can do things better and not settle for status quo.

L&E will continue to lead and be the pioneer and disruptor.

There is a saying, 'don't let perfect be the enemy of the good'. Whilst we knew we didn't have all the right data and metrics, we didn't wait for the perfect timing to start working on our sustainability report.

Without making this sound like an excuse, running a small business is not easy and each day we are faced with challenges in making sure our operations are sound and stay true to our values. There isn't much room to stop and think about metrics, putting criteria into policy documents. We just know that if we keep doing the right thing, we are doing good. Providing transparency in a fact-based manner was indeed a challenge.

Until we went through this exercise of putting this sustainability report together, we didn't have a way to concretely reflect our strategy and how to measure our goals. With these goals we can educate our customers with facts and distinguish ourselves from greenwashing brands. We will also be able to set concrete goals in becoming a more sustainable company for the environment and continue to do better.

Strategy and Goals for 2023

1

Measuring our material usage to better understand the distribution between renewable and non-renewable materials used throughout L&E products

2

Improve the accuracy in our emission measurements and aim to identify opportunities and establish reduction goals

3

Focus our efforts in promoting our apprenticeship program to at least provide training opportunities to one young talent

4

Formalize our supplier code of conduct that puts our selection criteria on paper and communicate that to any of our new suppliers and continuously assess our current suppliers against it

5

Continue to expand on our educational efforts with consumers, through our e-commerce and social media platforms. Help them understand what sustainable fashion is truly about

6

Extend circularity beyond our production by implementing a feasible, re-usable packaging solution for all L&E domestic orders, currently representing more than 90% of our orders

GRI Content Index

Statement of use	JoMulla GmbH trading as L&E Studios has reported the information cited in this GRI content index for the period 1 January 2022–31 December 2022 with reference to the GRI Standards				
GRI 1 used	GRI 1: Foundation 2021				
GRI Standard	Disclosure	Page Number(s)	Requirement(s) Omitted	Reason	Explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organisational details	4			
	2-2 Entities included in the organization's sustainability reporting	5			
	2-3 Reporting period, frequency and contact point	4			
	2-4 Restatements of information	5			
	2-5 External assurance	5			
	2-6 Activities, value chain and other business relationships	4			
	2-7 Employees	9-10			
	2-8 Workers who are not employees	9-10			
	2-9 Governance structure and composition	4			
	2-10 Nomination and selection of the highest governance body	4			
	2-11 Chair of the highest governance body	4			
	2-12 Role of the highest governance body in overseeing the management of impacts	7, 9-10			
	2-13 Delegation of responsibility for managing impacts	9-10			
	2-14 Role of the the highest governance body in sustainability reporting	5			

GRI Standard	Disclosure	Page Number(s)	Requirement(s) Omitted	Reason	Explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-15 Conflicts of interest			Not applicable	There is only one individual in the highest governance body (the company's owner)
	2-16 Communication on critical concerns			Not applicable	There were no critical concerns raised during the reporting period
	2-17 Collective knowledge of the highest governance body			Not applicable	There is only one individual in the highest governance body (the company's owner)
	2-18 Evaluation of the performance of the highest governance body			Not applicable	There is only one individual in the highest governance body (the company's owner)
	2-19 Remuneration policies			Not applicable	There is only one individual in the highest governance body (the company's owner)
	2-20 Process to determine remuneration			Not applicable	There is only one individual in the highest governance body (the company's owner)
	2-21 Annual total compensation ratio			Confidentiality constraints	Due to the size of the company, employees are able to easily identify the salary level of other employees if this information is published
	2-22 Statement on sustainable development strategy	3			
	2-23 Policy commitments			Not applicable	Policy setting, commitments and compliance are managed by the founder solely. No process to describe
	2-24 Embedding policy commitments			Not applicable	Policy setting, commitments and compliance are managed by the founder solely. No process to describe
	2-25 Processes to remediate negative impacts	5			
	2-26 Mechanisms for seeking advice and raising concerns	5			
	2-27 Compliance with laws and regulations	4			
	2-28 Membership associations	4			
2-29 Approach to stakeholder engagement	5				

GRI Standard	Disclosure	Page Number(s)	Requirement(s) Omitted	Reason	Explanation
	2-30 Collective bargaining agreements			Not applicable	Due to smaller team size
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	5			
	3-2 List of material topics	5			
<i>Environmental</i>					
GRI 3: Material Topics 2021	3-3 Management of material topics	12-13, 17-19, 20, 22-24			
GRI 301: Materials 2016		22-24	301-1, 301-2, 301-3	Information unavailable/incomplete	The initiative started in Q3 2022, insufficient level of information to comply with metrics yet. In process of collection.
GRI 302: Energy 2016	302-1 Energy consumption within the organization 302-2 Energy consumption outside of the organization	17-19	302-3, 302-4, 302-5	Information unavailable/incomplete	302-3 Due to lean and streamlined production process it was not possible to pinpoint a specific activity or product to calculate the energy intensity; 302-4 & 302-5 First year of reporting, no baseline established yet.
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) emissions 305-3 Other indirect (Scope 3) emissions	17-19	305-1, 305-4, 305-5, 305-6, 305-7	Information unavailable/incomplete	The company does not have any Scope 1 GHG emission. The activities are not material enough to calculate specific GHG emissions intensity. Reduction data not available as first year reporting and establishing baseline.
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts 306-2 Management of significant waste-related impacts	20	306-3, 306-4, 306-5	Information unavailable/incomplete	The company has a zero waste policy in all materials, and did not have any mechanisms to measure other types of waste. During the analysis phase it was identified that the waste would not be significant enough to be a material topic for this report.
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	12-13	308-2	Not applicable	There were no instances during the reporting period.

GRI Standard	Disclosure	Page Number(s)	Requirement(s) Omitted	Reason	Explanation
Material Topics					
<i>Social</i>					
GRI 3: Material Topics 2021	3-3 Management of material topics	8, 9-10 ,12			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	8			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	9-10	401-2, 401-3	Not applicable	401-2 There are no differences in the benefits due to small team size; 401-3 There were no instances during the reporting period.
GRI 406: Non-discrimination 2016		9-10	406-1	Not applicable	There were no instances during the reporting period.
GRI 408: Child Labor 2016		12	408-1	Not applicable	There were no instances during the reporting period.
GRI 409: Forced or Compulsory Labor 2016		12	409-1	Not applicable	There were no instances during the reporting period.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	12	414-2	Not applicable	There were no instances during the reporting period.
<i>Note: All Topic Management Disclosures can be found in the same section where the Topic Standard is being reported.</i>					



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