



2023

Sustainability Report

LOJEL

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PREFACE

This report is a chronicle of our progress in sustainability for you, our customers, partners, suppliers, and shareholders. With transparency and honesty on where we are in our journey, we can be held accountable for where we are lacking. Our hope is that this report, which will be updated annually, helps guide all concerned toward becoming more conscious and responsible consumers, stakeholders, and human beings.

PREFACE

A Note From Our CEO

“ Sustainability is not something we consider a tool to differentiate ourselves, but rather something that should be built into the core substance of our brand and organization.

Whether it's product, supply chain, or finance – **every department and team member contributes to our sustainability bottom line.** This starts with creating an internal culture around sustainability that ensures the entire organization is empowered to get involved, develop their knowledge, and grow as practitioners of sustainability within their roles.

For us, it's about being authentic in how we practice sustainability. We'll be the first to admit our challenges – but we're working hard to put clear goals in place to define what meaningful progress means moving forward.”



An Chieh Chiang
Chief Executive Officer



PREFACE

Notes from our Senior Management



“ Tackling an issue as complex as **sustainability requires working on many levels**—from an urgent stream of incremental changes to minimize the footprint of what we currently make, to a full systems-level overhaul of how we fundamentally think and operate. We recognize the scale, urgency, and moral imperative of this challenge, and embrace the opportunity at every level.

We’re well-equipped for this journey. Being a small company gives us the ability to question and move away from unsustainable practices that larger, established businesses are dependent on. Nonetheless, we are able to leverage over three decades of technical heritage to help us navigate the complexities and nuances of making truly responsible choices in materials, design, or manufacturing—from the ground up.”

Kenzo Yoneno
Chief Product Officer

“ It is obvious to us that **an organization cannot exist indefinitely without consideration of its impact on society and the environment**. It is also clear to us that if we want to be around in a few years, we must create a stronger and more sustainable version of our brand. Such a direction is not optional or just “cool” anymore, it’s just a way to be.

As a brand, we look at sustainability as a vector of progress and we refuse to frame these topics as a marketing tool or a profit-generating strategy. We’d rather remain focused, communicating about gradual improvements in the most transparent way possible. By doing so, we hope to retain a humble attitude, recognizing that we are not yet where we want to be but are working hard to get there.”

David Boulay
Chief Brand Officer

HIGHLIGHTS

2023 Milestones

Here are some of the milestones our team achieved in the past year. In acknowledging their success, we hope to inspire further progress.



Non-plastic packaging for 23% of products produced in 2023



Integrated 50% recycled material in our best selling product (Cubo luggage)



95% reduction in emissions from air freight compared to 2022



Published our first UNGC Communications On Progress*



Donated 99 suitcases in Singapore, Hong Kong, and the US to those in need

*A subsection of the United Nations, the UNGC has 10 core principles covering the environment, society and governance. While not a legal commitment, this is a first step in the right direction to be held accountable. You can find our CoP linked [here](#) or in Appendix 1.

OUR STORY

Where It Began

2013

Brand Transformation

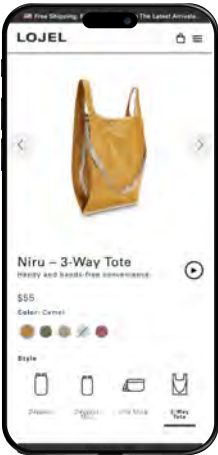
24 years after LOJEL was founded, An Chieh Chiang, the grandson of founder Chih Chang Chiang and CEO of LOJEL, kick-started a program to bring new life to the brand and unlock its full potential. The brand identity underwent a transformation, commencing a new era for LOJEL.



2018

Digital Transformation

LOJEL launched its first e-commerce site and digital experience platform myLOJEL. Early milestones of LOJEL’s digital transformation produced new touchpoints and customer experiences.



2019

COVID-19 and a travel-less world

This wasn’t an easy time for us. We had to downsize the team and zone in on what we could improve.

2020

Beyond Travel

As markets returned to normal, we reworked our mission internally and refined what we were trying to achieve as a brand: creating carry essentials that simplify movement in pursuit of a net positive future.

2022

Sustainability Alignment

Aligned with our vision of a net positive future, We joined the nonprofit organization Change Climate to target climate neutrality by 2026. We also committed to the UN Global Compact as part of our effort to advance the UN’s Sustainable Development Goals (SDG).



OUR STORY

Where We’re Going

Present - Building Our Strategy

We devoted the majority of 2023 to better understanding our impact. To do so we conducted a Materiality Assessment, which looks at global issues through the lens of their impact on society, the environment and our business.

High Materiality

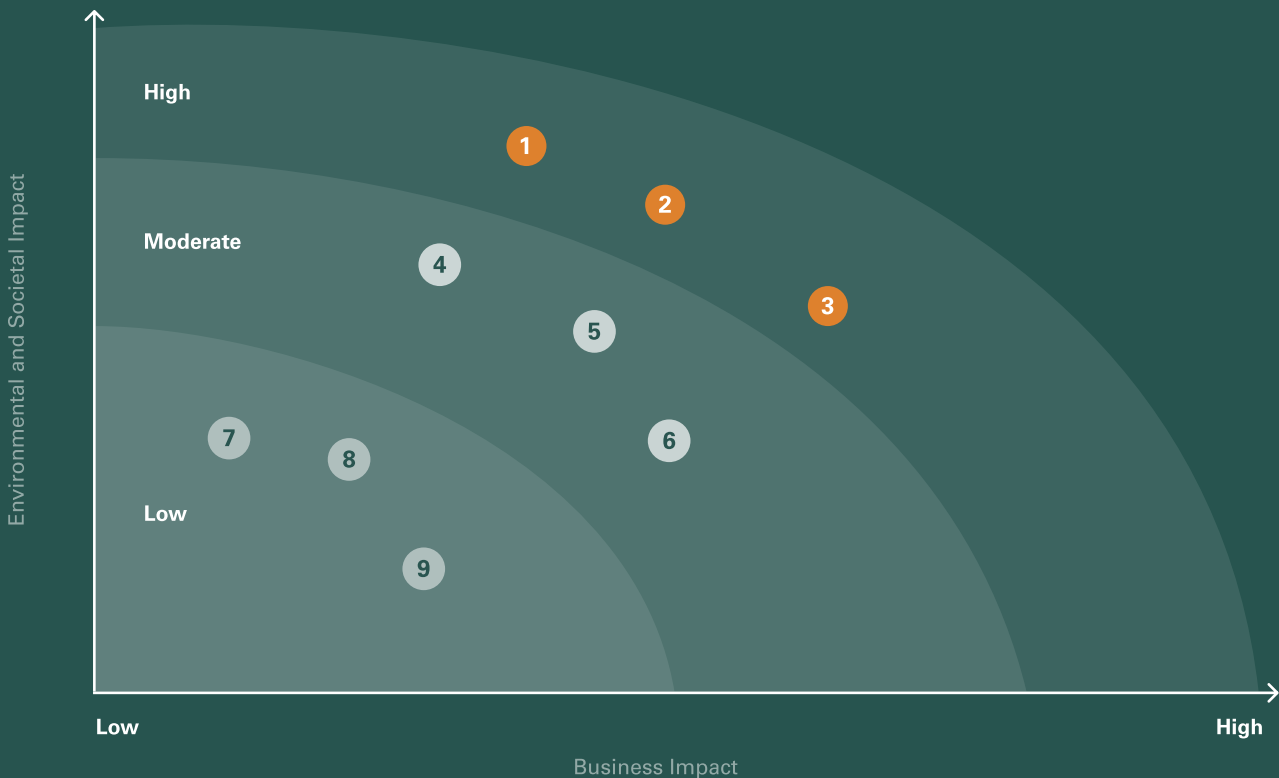
- 1 Climate Emissions & Energy
- 2 Product Innovation & Quality
- 3 Waste Management

Moderate Materiality

- 4 Stakeholder Engagement
- 5 Ethics and Transparency
- 6 Employee Engagement & Satisfaction

Low Materiality

- 7 Sustainable Finance
- 8 Conflict Materials
- 9 Water Stewardship



The assessment helped us understand where we needed to focus our efforts. Topics categorized with high environmental and high business impact are considered a priority for our strategy. Those in the moderate to low impact categories are addressed but with less urgency.

OUR STORY

Where We’re Going

Present - Building Our Strategy

Looking at what's material for LOJEL, and the UN Sustainable Development Goals*, we prioritized 3 key goals. Together, these encompass what we feel is most important for us at the moment. As we continue our journey, this list will grow.



Empower equity



Reduce harm inflicted on the planet



Lead by Example



*The UN's Sustainable Development Goals (SDGs) are a set of 17 interconnected goals, adopted by the United Nations in 2015, that encompass social, economic, and environmental sustainability

OUR PROGRESS

Reducing Harm To The Planet

As a brand selling physical products with physical stores, a big portion of our impact comes from waste and emissions of our products, stores, and offices. We've worked hard to better understand these and reduce them in 2023.



*The UN's Sustainable Development Goals (SDGs) are a set of 17 interconnected goals, adopted by the United Nations in 2015, that encompass social, economic, and environmental sustainability.

OUR PROGRESS— REDUCING HARM TO THE PLANET

Impact on the Climate

As highlighted in our materiality assessment, we need to urgently address our contributions to global climate change. We are working with the Change Climate Project (previously Climate Neutral) to measure, reduce, and offset our emissions progressively; aiming to be Climate Neutral by 2026.

Our emissions are categorized into 3 key scopes aligned with the Greenhouse Gas Protocol*. The emissions are measured in tCO₂e, which stands for metric tons of carbon dioxide equivalent, a standardized unit used to measure greenhouse gas emissions.





Scope 1:
0 tCO2e

Emissions generated from onsite combustion or vehicles that we own. As we do not currently own any vehicles or have onsite combustion, our scope 1 emissions remain low.



Scope 2:
83 tCO2e

Emissions resulting from the consumption of purchased electricity in both our leased and owned assets, including stores and offices.



Scope 3:
16,590 tCO2e

Emissions across our entire value chain including manufacturing, employee travel, office equipment and various other factors.



LOJEL HQ HONG KONG

Top 3 Emitting Activities:

Construction – 936 tCO2e

In 2023 we opened 2 new offices and 4 stores; which involved significant construction. We’re looking to reduce this impact by using more sustainable materials and minimizing the waste of our stores.

Manufacturing Materials – 9,978 tCO2e

We’re working to find new product materials that have a lower impact, including using recycled materials – our target is to have 50% of total materials certified sustainable by 2026.

Manufacturing Energy – 2,521 tCO2e

We’re at the early stages of working with our manufacturers to better understand how we can reduce the energy used to make our products.

*The Greenhouse Gas Protocol is the global standard for measuring greenhouse gas emissions.

To see a full Breakdown of our 2023 emissions refer to Appendix 2.



Conservation in Indonesia

The Katingan and Rimba Raya peatlands. Peatlands are the world's most effective carbon storage. In Indonesia, they are at risk of being converted into palm plantations. Investment in this project conserves the land and prevents these peatlands from being industrially developed.

To see certificates for our offsetting refer to Appendix 4.



Afforestation in China

This project employs locals to plant trees in a barren environment around the town of Liangdu, China, to create a new carbon sink (currently employing 15,000+ residents). The residents also receive profit sharing from the carbon offset credits.

To see certificates for our offsetting refer to Appendix 4.

OUR PROGRESS- REDUCING HARM TO THE PLANET

Waste




Following climate, waste represents our second most significant environmental impact.

Mapping our value chain was the first step to finding and marking key areas of waste production. In doing so, we discovered a significant portion comes from products at the end of their lifecycle.

Alongside material durability and timeless design, engineering repairability can significantly increase product lifespan. Traditionally, a luggage repair involves shipping suitcases to a repair center and then shipping them back.

Since this two-way process isn't the most sustainable, we've developed the Design For Repair strategy. Designing products to be easily repairable allows us to empower customers and local repair shops through online tutorials and repair kits that reduce the time, stress, and logistics of shipping.

We've optimized the following products to be easily replaced:

-  Luggage Wheels
-  Luggage Lining (Cubo)
-  Bag Straps (Eblo)



The LOJEL Product Life Cycle



As a result of our Design For Repair initiative:

With the aim to pilot new systems before the end of 2025, we’re continuously refining this process and looking for new solutions for waste mitigation.

~20,000 Suitcases **Repaired**
~85,000 kg of waste **Diverted**



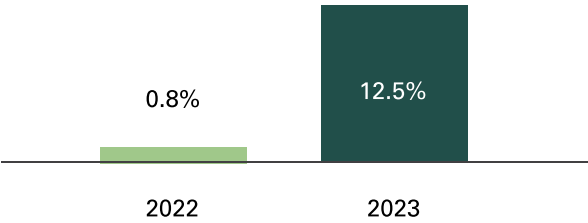
To see details on how we calculated the outcomes of Design For Repair refer to Appendix 5.

OUR PROGRESS- REDUCING HARM TO THE PLANET

Product Evolution



- 2022**
0.8% of LOJEL products used recycled or sustainable materials
- 2023**
12.5% of LOJEL products used recycled or sustainable materials
- 2025**
50% of LOJEL products use recycled or sustainable materials



Sustainable Materials cover a spectrum. Ranging from recycled or natural materials to those produced using more sustainable practices.

In addition to emissions, the materials in our products are also contributing factors to waste. Meeting this target for all products will reduce our impact on climate change. We’re working hard on transitioning from traditional materials to sustainable but this takes time as we want to ensure we don’t sacrifice quality and your experience.



Cubo
Luggage shell

50% pre-consumer recycled polycarbonate (GRS certified industrial waste from within our factory)

Cubo
Removable + washable interior lining

50% recycled solution-dyed mélange polyester (GRS Certified, saves energy and water)



Eblo
Fabric body

100% recycled Cordura (GRS certified)



Niru
Fabric body

100% recycled crinkle nylon (GRS Certified)



OUR PROGRESS- REDUCING HARM TO THE PLANET

Packaging Evolution

Aligning with our shift toward more sustainable product materials, we’re rethinking our packaging. A direct and immediate source of waste, packaging with carbon-intensive materials such as plastic is a critical piece of the global climate problem.

We have taken steps toward removing all plastic from packaging and replacing them with natural materials. Currently, two out of five active product collections have zero plastic packaging.

We’re aiming to have **100% non plastic packaging by 2026.**



Iloj Collection:
Sugarcane Box



Niru collection:
Corn PLA bags


OUR PROGRESS– REDUCING HARM TO THE PLANET


Retail Evolution


Transition to low-impact store design

Construction is a major source of waste globally. Reducing our climate impact in retail means rethinking how we design and build stores. Starting with our LOJEL flagship location in Hong Kong, we have begun incorporating low-impact materials in the design of our newest locations.

Here are the material alternatives used to build our LOJEL flagship in Causeway Bay, Hong Kong;

-
- 

Shredded LOJEL suitcases and recycled plastic tiles for the facade and table tops
-
- 

100% ocean-bound recycled polyester for the upholstery
-
- 

Non-toxic flooring and paints



The flagship store effectively diverted **700 kg of waste material** from landfills by using sustainable alternatives.



OUR PROGRESS- REDUCING HARM TO THE PLANET

Office Evolution

In 2023, we **recycled 356 kg of municipal waste** from our offices.

Environmental commitments should go beyond our supply chain and start at home. We’ve partnered with V Cycle to recycle the waste produced from our headquarters in Hong Kong.

V Cycle is a local facility that employs the elderly, who would otherwise collect recyclables from the streets of Hong Kong for a low wage. Partnering with them was our way to support the community while reducing our contribution to the global waste crisis.

OUR PROGRESS

Empower equity and support the communities in our value chains

Our brand is part of society. Recognizing the impact we have on our communities means acknowledging our responsibility to do so in a positive way.

At LOJEL, our shareholders are important – but so are our stakeholders. For us, this is everyone who impacts or is impacted by our business. We believe increasing transparency and engaging in meaningful dialogues with all stakeholders is critical to our progress.





OUR PROGRESS

Empower equity and support the communities in our value chains

Student Collaborations

We recognize the students of today will be the leaders of tomorrow. We also see the value in learning from their unique worldview. That's what led us to invite Design Students from the Hong Kong Polytechnic University (PolyU) to work on a challenge we face: **How to recycle luggage waste?**

The students created solutions and presented them in person to our Chief Product Officer, Hong Kong General Manager, and Sustainability Manager. The winning team was awarded the opportunity to work with LOJEL to develop their project and display it in our Hong Kong retail stores.



Collaborating with LOJEL, we embarked on a journey to explore a holistic sustainable system, nurturing the Gaia (the earth) and bringing brand value across ecological, cultural, economic, and social dimensions. This partnership allowed us to bridge academia and real-world application, providing a valuable opportunity for growth and impact.”

Winning Group



It is a privilege to partner with one of the most prestigious design schools in the world -the Polytechnic University of Hong Kong. From the day we introduced the project to all participants, we could feel the energy and enthusiasms that all students had to bring their ideas to life. This competition was a mix of connecting to the community, sustainability and design all at once -definitely a big step towards our company objectives of becoming a B Corp by 2026”

Jose Munoz

General Manager Hong Kong



OUR PROGRESS

Empower equity and support the communities in our value chains

Finding Shared Value

Sustainability means finding shared value between the business, society, and the environment.

While exploring our waste problem, we discovered our warehouses had a stockpile of suitcases with minor scratches, dents, and scuffs that were, in fact, usable. Due to strict quality guidelines, we could not sell these functional items to customers.

We also discovered a need from the local community: Migrants or refugees transferred from facility to facility move carrying their belongings in garbage bags. In some cases, they would have no means to transport personal items.

We provide spare stock luggage to allow them to transit from one posting to another securely, efficiently, and with dignity.

99 Suitcases donated in 2023

- 50 Suitcases donated to Healthserve in Singapore
- 16 Suitcases donated to the IRC in the USA
- 33 Suitcases donated to Crossroads in Hong Kong



OUR PROGRESS

Empower equity and support the communities in our value chains

Transparency For Our Customers

Our suppliers are carefully selected based on their experience, cost, and ethical standards. However, implementing strict standards takes time, especially for a growing brand like ours. This year, we've worked and will continue to work on increasing our transparency with you – our customers – to ensure you have a clear picture of where your products are coming from.

We're working to expand this map and peel the layers underneath our tier-one suppliers to gain visibility on every level, all the way to raw material sources.

China

- Bags Factory
- Leather Goods Factory
- Luggage Factory

Indonesia

- Bag Factory
- Luggage Cover Factory

OUR PROGRESS

Leading by example

LOJEL was built by a multinational team with roots spanning Asia Pacific, North America, and Western Europe. With an expanding talent roster and global footprint, more cultures will come to represent the brand. Ensuring diverse perspectives continue to be represented and securing the well-being of every team member is essential.





OUR PROGRESS

Leading by example

Diversity & Inclusion

As a testament to our commitment to inclusion and diversity, LOJEL became a signed member of the Hong Kong Racial Diversity & Inclusion Charter for Employers in 2023. This reinforces our dedication to maintaining a high standard of inclusivity within our diverse team.



“ I enjoy the diverse mix of backgrounds, nationalities, and life experiences within our company. These varied perspectives frequently bring forth fresh insights and valuable learnings during our engaging discussions, empowering me to contribute to the continuous improvement of our products.”

Tiffany Tien
Product Strategist

OUR PROGRESS

Leading by example


Community Matters

In addition to core internal policies that include a hybrid work setup and volunteer days, our team is provided with educational modules delivered in-person and available online to gain familiarity with key sustainability topics shown on the right:

These activities and workshops encourage interaction between colleagues who otherwise would have limited engagement with each other outside of their day-to-day tasks.

We’ve found due to these sessions employees felt empowered to further their knowledge and expertise with external and internal training. The company supports team members by offering company-subsidized training and consulting on courses relevant to them (e.g. the marketing team is trained and tested on greenwashing in communications).

We’ve found a drastic shift in our team's sentiment towards sustainability as a result of these internal initiatives.

- Climate Change
- Waste Management
- Shared Value
- Sustainable Lifestyles



CLOSING

A Note From Our Sustainability Manager

2023 was a big year for LOJEL.

While we are proud to have integrated sustainability into many areas of our company during this period of growth, we recognize that our sustainability journey has just begun.

2024 will be all about building on that momentum. Each milestone reached is an opportunity to aim higher. Each challenge is an opportunity to get better. Each step is an opportunity to move forward.

The coming years will be crucial, not just for our company, but for our planet. We’re on this journey together – and LOJEL is committed to doing its part.”

Dipti Paryani
Sustainability Manager





Thank you.

APPENDIX

1. LOJEL UNGC 2023 Communications On Progress: https://cop-report.unglobalcompact.org/COPViewer/2023?responseld=R_2rITcCelsfmd4wh

2. Emissions Break Down: (Insert proper pie charts here)

3. Donation certificates:

Hong Kong Cross Roads:

<https://drive.google.com/file/d/1mKdlkAGR1VO9lp1b8HvnbOAJOWOkblcw/view?usp=sharing>

Health Serve:

<https://drive.google.com/file/d/1v9U-BMTJH0SApcxyamx2gk21yxL1RP0O/view?usp=sharing>

IRC:

https://drive.google.com/file/d/1xpOgnlWi2GD7Yzi-v_jQjo898KVVW13KO/view?usp=sharing

4. Offset Certificates:

<https://registry.terra.org/myModule/rpt/myrpt.asp?r=206&h=240939>

<https://registry.terra.org/myModule/rpt/myrpt.asp?r=206&h=185251>

<https://registry.terra.org/myModule/rpt/myrpt.asp?r=206&h=132806>

<https://registry.terra.org/myModule/rpt/myrpt.asp?r=206&h=136515>

5. Repair Calculations:

We calculated the total amount of waste diverted by taking the weight of the products we repaired in 2023, subtracting the weight of the replacement luggage given out in 2023 to ensure no double counting occurred.

6. LOJEL, Racial Diversity & Inclusion Charter certificate:

<https://drive.google.com/file/d/1FtKMTCT8Rn6hafF3rVpGMjcGcwF-sRu1/view?usp=sharing>

