

**M.J. BALE**

2023 PROGRESS REPORT



# CONTENTS

*Courage, passion, and integrity have been the core values of M.J. Bale since we founded the brand in 2009. Our vision is to do right by our customers so they can do right by the world*

- MATT JENSEN, M.J. BALE FOUNDER & CEO

FOUNDER & CEO INTRODUCTION	3	SUPPLY CHAIN	11
VISION	4	MATERIALITY	15
PROGRESS TO DATE	5	BETTER FOR PEOPLE	16
PROJECTS IN PROGRESS	6	BETTER FOR PLANET	19
CARBON FOOTPRINT	8	BETTER FOR PRACTICE	22
REGENERATION	10	ANNEX	25





## THE FOUNDERS STORY

Courage, passion, and integrity have been the core values of M.J. Bale since we founded the brand in 2009. I would like to think these pillars will continue to serve us well as we move into the next stage of our responsibility commitments, reflected here in our first Progress Report.

We have intentionally chosen to call this review our 'Progress Report', as we believe in progress over perfection. I am proud of the fact we were the first brand to be certified carbon-neutral by Climate Active for both products and organisation. However, the fact remains that we are only at the beginning of our sustainability journey.

As you will read in this report, we have aligned our strategy with the United Nations Sustainable Development Goals (SDGs) and have committed to three primary SDGs and six secondary SDGs where we feel we can make the most difference. As part of this

alignment, M.J. Bale has signed up to become a member of the United Nations Global Compact, which is the largest corporate sustainability initiative on the globe.

Elsewhere, we remain committed to natural fibres, and are proud to work at the farm level with the world's most ethical producers of wool. We continue to make investments in on-farm conservation efforts at our Tasmanian single-source wool partner, Kingston, and remain committed to our methane-reduced wool trials, the first of their kind in the world.

While as a business we are far from perfect, we are dedicated to improving a little every day for the planet and our people.

*Matt Jensen*

Matt Jensen, Founder & CEO



VISION

M.J. BALE

M.J. BALE IS COMMITTED TO DOING RIGHT BY OUR COMMUNITY AND CUSTOMERS, SO TOGETHER WE CAN DO RIGHT BY THE WORLD.

THIS IS OUR JOURNEY TO BETTER: BETTER FOR PEOPLE, BETTER FOR THE PLANET, AND USING BETTER PRACTICES.



MAY 2017

Launch of Kingston Suit Range, first single-source product from Kingston Farm in Tasmania

OCT 2019

Launch of Ashby Knitwear Range, first single-source knitwear from Ashby Farm in Tasmania

JUN 2020

Completed Carbon Life Cycle Assessment Scoping Study on an M.J. Bale Suit

SEP 2020

Publicly committed to being carbon-neutral by December 2021

SEP 2020 - JUN 2021

World's first commercial trial of methane reduced wool, feeding merino sheep asparagopsis seaweed in partnership with Kingston Farm & Sea Forest

JULY 2021

Completed Greenhouse Gas Life Cycle Assessment (LCA) on all products and organisation

NOV 2021

M.J. Bale was Australia's first brand to be certified carbon-neutral by Climate Active for both products and organisation.

DEC 2021 - OCT 2022

Upscaled methane-reduced wool project in Trial 2 from 48 sheep to 500 sheep

JAN 2022

Became entirely renewable powered across all M.J. Bale stores and offices

JUN 2022 - SEP 2022

World's first attempt at creating a garment with the lightest footprint through zero-emission transportation and local processing

JUL 2022

Implemented Sustainability 'Better' Strategy across the business

SEP 2022

Lightest Footprint Journey produced hand-knitted knitwear and remaining wool to be woven into a blazer using methane-reduced wool

MAY 2023

The Board committed to Sustainability Goals with set targets for 2025 and 2027 in line with the UN Sustainability Development Goals

JULY 2023 ONWARDS

Continuously strive towards improvement across all areas of the business focusing on our core pillars of People, Planet and Practice



## METHANE-REDUCED WOOL

We are targeting the largest source of emissions related to an M.J. Bale two-piece wool suit, which are related to fibre production (52%)<sup>1</sup>. As such, we continue to invest in methane-reduced wool trials at Kingston farm in Tasmania. Free-grazing Merino sheep are fed asparagopsis seaweed produced by Sea Forest Australia as 0.2% of their daily diet, reducing their methane emissions by an estimate 80%+.

Kingston Trial 1 (2020-2021) yielded 105kg of greasy methane-reduced wool; Kingston Trial 2 (2021-2022) yielded 1.3 tonne of greasy methane-reduced wool; Kingston Trial 3 (September 23 – March 24) is currently underway at Kingston in conjunction with an Australian scientific agency.

<sup>1</sup> BASED ON THE 2020 SCOPING REPORT AND LIFE-CYCLE ASSESSMENT (LCA) MEASURING THE SCOPE 1-3 EMISSIONS OF M.J. BALE'S TWO-PIECE KINGSTON SUIT FROM CRADLE-TO-GRAVE.



M.J. BALE



PROJECTS-IN-PROGRESS

# THE LIGHTEST FOOTPRINT JOURNEY



M.J. BALE



In 2022 we executed the 'Lightest Footprint' project, aiming to create knitwear with the lightest carbon footprint entirely in Australia. Couriering 35kg of methane-reduced wool from Kingston's farm gate to regional Victoria using engineless transport (bicycle and sail boat), we processed, spun and hand-knitted the wool into limited edition sweaters. This project focused on ways we can explore

reducing carbon emissions across the full supply chain by reimagining how we produce and transport goods.

In 2023 we are partnering with the University of Technology Sydney Sustainable Fashion & Textiles department to upscale our production of local knitwear from methane-reduced wool.



# CARBON FOOTPRINT

Our FY22 LCA, executed as part of our Climate Active certification, recorded a total of 12,625 tonnes of CO2e for M.J. Bale's FY22 carbon footprint\*

88% FOR PRODUCTS  
(FY22 11,048 COMPARED TO FY20 10,399)



12% FOR ORGANISATION  
(FY22 1,577 COMPARED TO FY20 1,462)



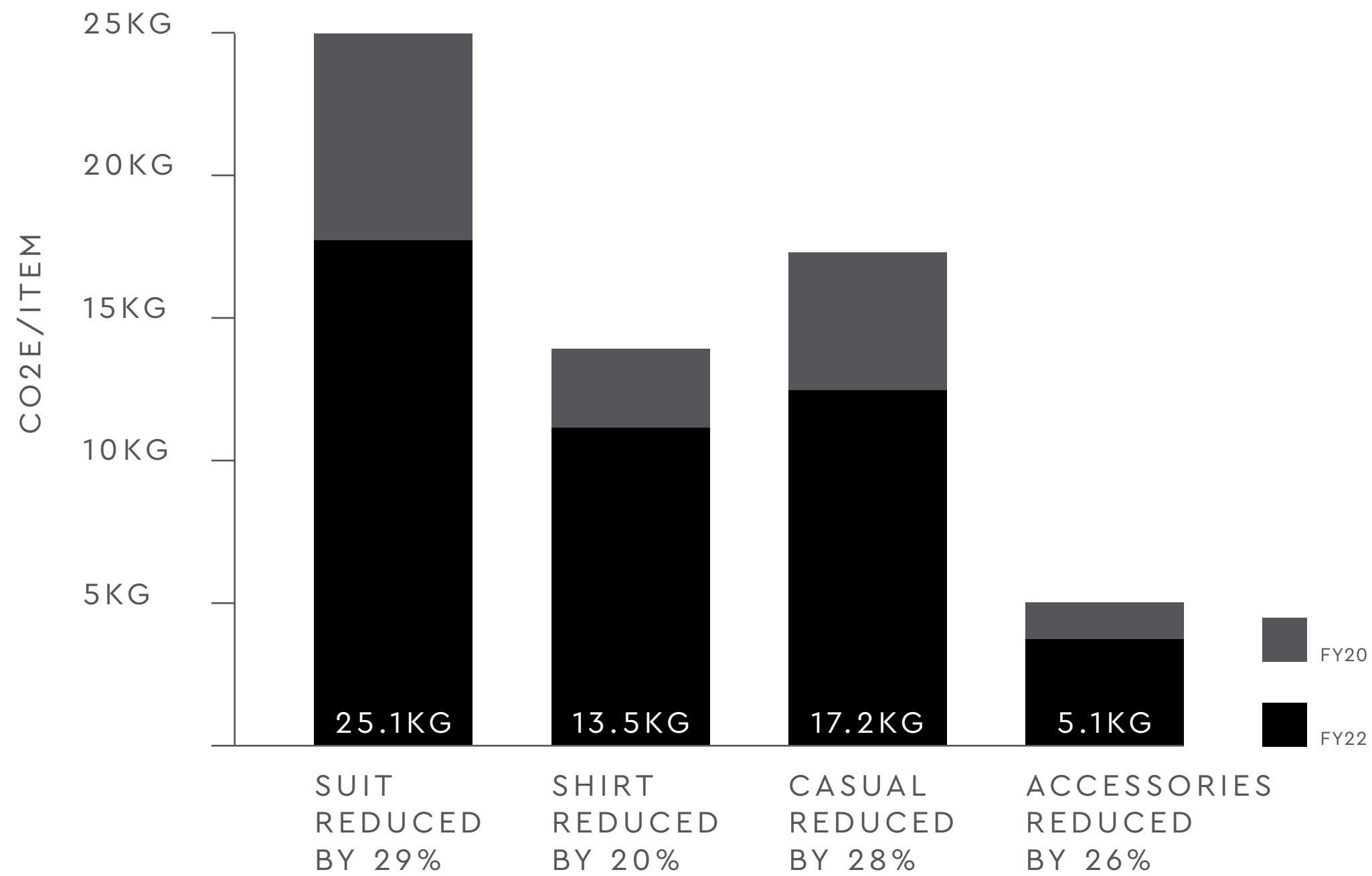
\* PENDING CLIMATE ACTIVE REVIEW





# PRODUCT CARBON INTENSITY

Our initial baseline product carbon footprint LCA was conservative. With improved data resolution and switching to GreenPower<sup>®</sup> for our stores the cradle-to-sale carbon intensity of M.J. Bale products between FY20 and FY22 has decreased across suits/tailoring, casual and accessories categories\*



\* THE AVERAGE PRODUCT CARBON FOOTPRINTS WERE CALCULATED FOR THE FY22 FINANCIAL YEAR AND ARE PENDING CLIMATE ACTIVE ANNUAL REVIEW. BASED ON THESE CALCULATIONS, THERE HAS BEEN A CARBON REDUCTION ACROSS ALL PRODUCT GROUPS. AVERAGE CARBON FOOTPRINTS ARE CALCULATED FROM CRADLE-TO-SALE PLUS END-OF-LIFE DISPOSAL AND EXCLUDE GARMENT USE (CLEANING).

\*\* LGCS ARE LARGE-SCALE GENERATION CERTIFICATES, A FORM OF CARBON CREDITS FOR RENEWABLE ENERGY



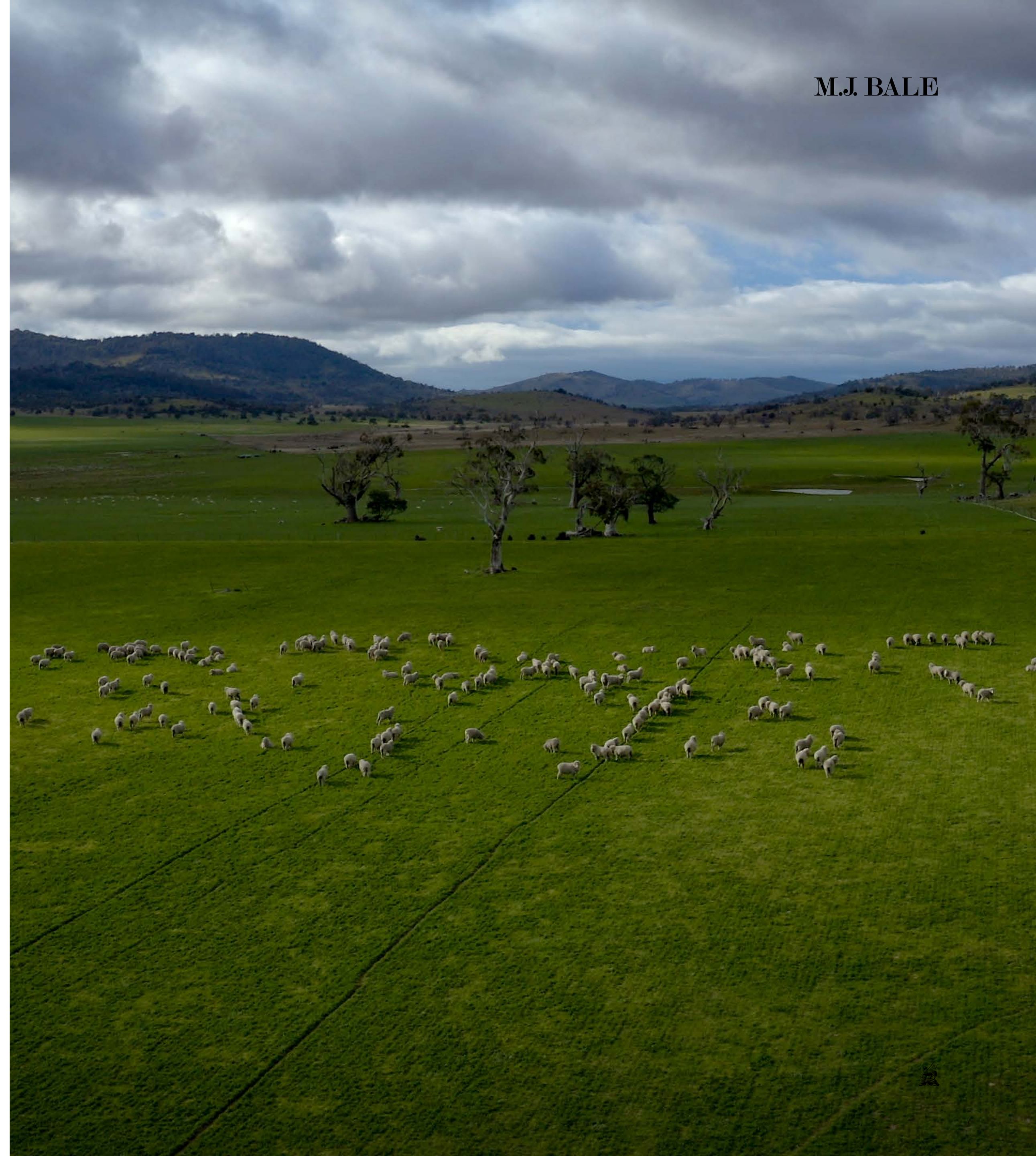
## REASONS FOR REDUCTIONS:

- Improved data collection from our upstream supply-chain enabled us to calculate the product carbon footprints more accurately
- Switch to renewable energy for all Retail stores and support offices through GreenPower and large-scale green certificates
- Greater depth in fabric composition with our expansion into cotton and linen products focused on our focus on natural fibre
- Better data collection from business suppliers supporting our footprint calculation by providing primary data
- Carbon factor change impacting average CO2e

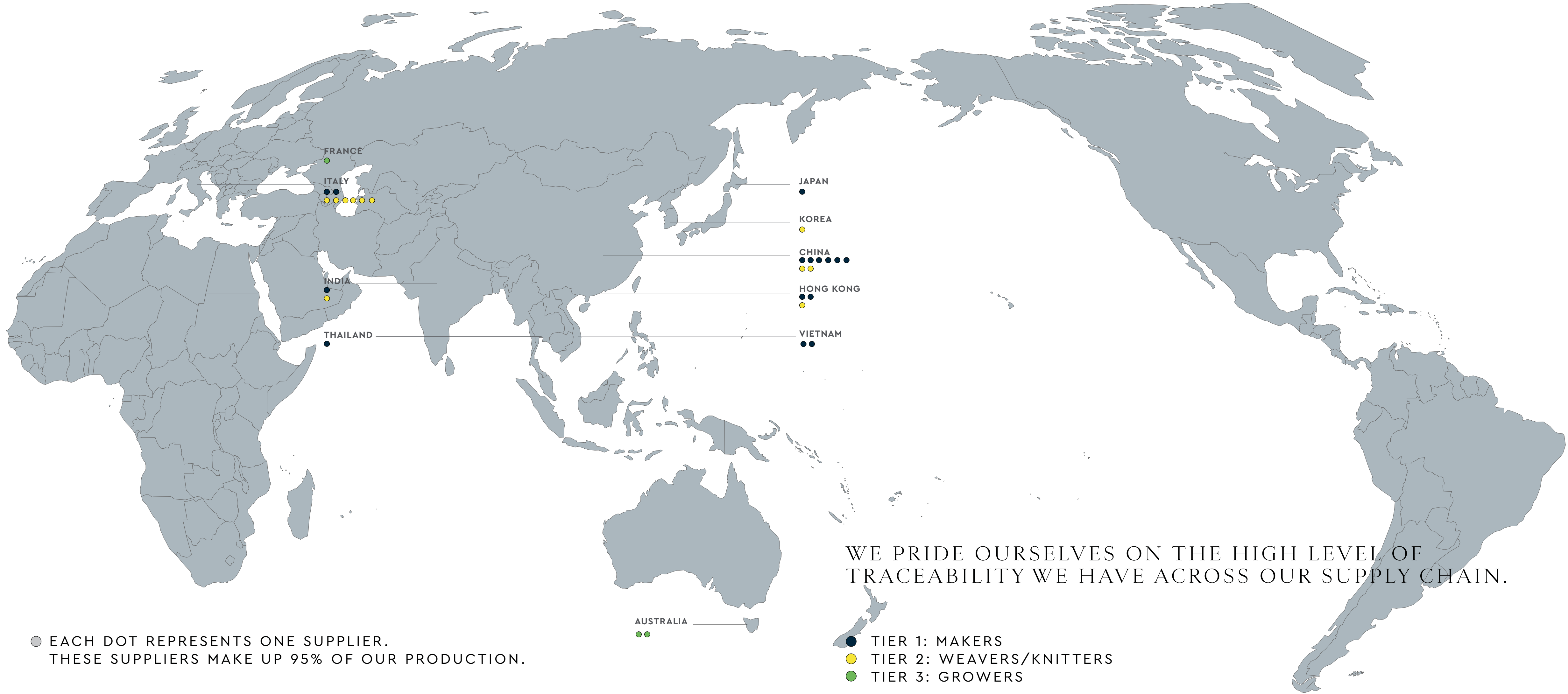
## KINGSTON CONSERVATION

As part of our Kingston store-to-grasslands preservation, Tasmanian farm rebate, we continue to invest in biodiversity preservation and revegetation projects at Kingston farm in Tasmania. A percentage of every M.J. Bale Kingston single-source garment sold in store or online is returned to Kingston custodian Simon Cameron to invest in on-farm projects. These projects include large-scale planting of trees and shrubs, indigenous

orchid recovery and river soil erosion mitigation. M.J. Bale contributed over \$90,000 to Kingston regeneration projects in FY23, adding to a total of almost \$330,000 since 2017.



# SUPPLY CHAIN



# ORIGINS OF OUR NATURAL FIBRES

We continue to source natural fibres from the world's most ethical growers. These growers include:

## SINGLE-SOURCE WOOL - KINGSTON FARM, TASMANIAN NORTHERN MIDLANDS

Kingston is a conservationist woolgrowing enterprise, home to more than 12 threatened species flora and fauna and 8% of all of Tasmania's Indigenous grasslands. An independent Natural Capital Report commissioned by Australian Wool Innovation (AWI) assessed Kingston farm as being carbon positive. Kingston has been M.J. Bale's single-source superfine wool partner since 2017. It has also been our partner in the world's first methane-reduced commercial wool trials since 2020. A percentage of every M.J. Bale Kingston garment sale (suits, tuxedos, blazers and ties) is returned to the farm to be reinvested into land regeneration and biodiversity preservation projects.

## SINGLE-SOURCE WOOL - ASHBY FARM, TASMANIAN MIDLANDS

Ashby has been a single-source wool partner of M.J. Bale since 2018. Owned by five generations of the Bennett family, Ashby farm produces the RWS-certified extrafine Merino wool for our single-source range of crew necks, V-necks, turtlenecks and long-sleeve polos.

## SINGLE-SOURCE NORMANDY LINEN

M.J. Bale's Bradfield linen shirts are composed entirely of flax grown on a single family-owned farm in Normandy, France. The natural fibre, grown with no GMO or artificial irrigation used in its production, is European Flax-certified is zero-waste.

M.J. BALE



# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

We understand the importance of sustainable action for our collective future and for our planet. Our Sustainability strategy is therefore grounded in the United Nations Sustainable Development Goals (SDGs), globally recognized as a blueprint for achieving a sustainable future. We've identified three priority SDGs where we believe our direct interventions can make a meaningful

difference. We recognize that our actions and initiatives can also have a significant indirect impact on six further SDGs, which we are committed to supporting as part of our broader sustainability strategy. Our commitment to these goals reflects our core belief in the interconnectedness of environmental, social, and governance issues, and the crucial role businesses like ours must play in addressing these.

1 NO POVERTY

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER

15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

● PRIORITY GOALS  
● IMPACTED GOALS



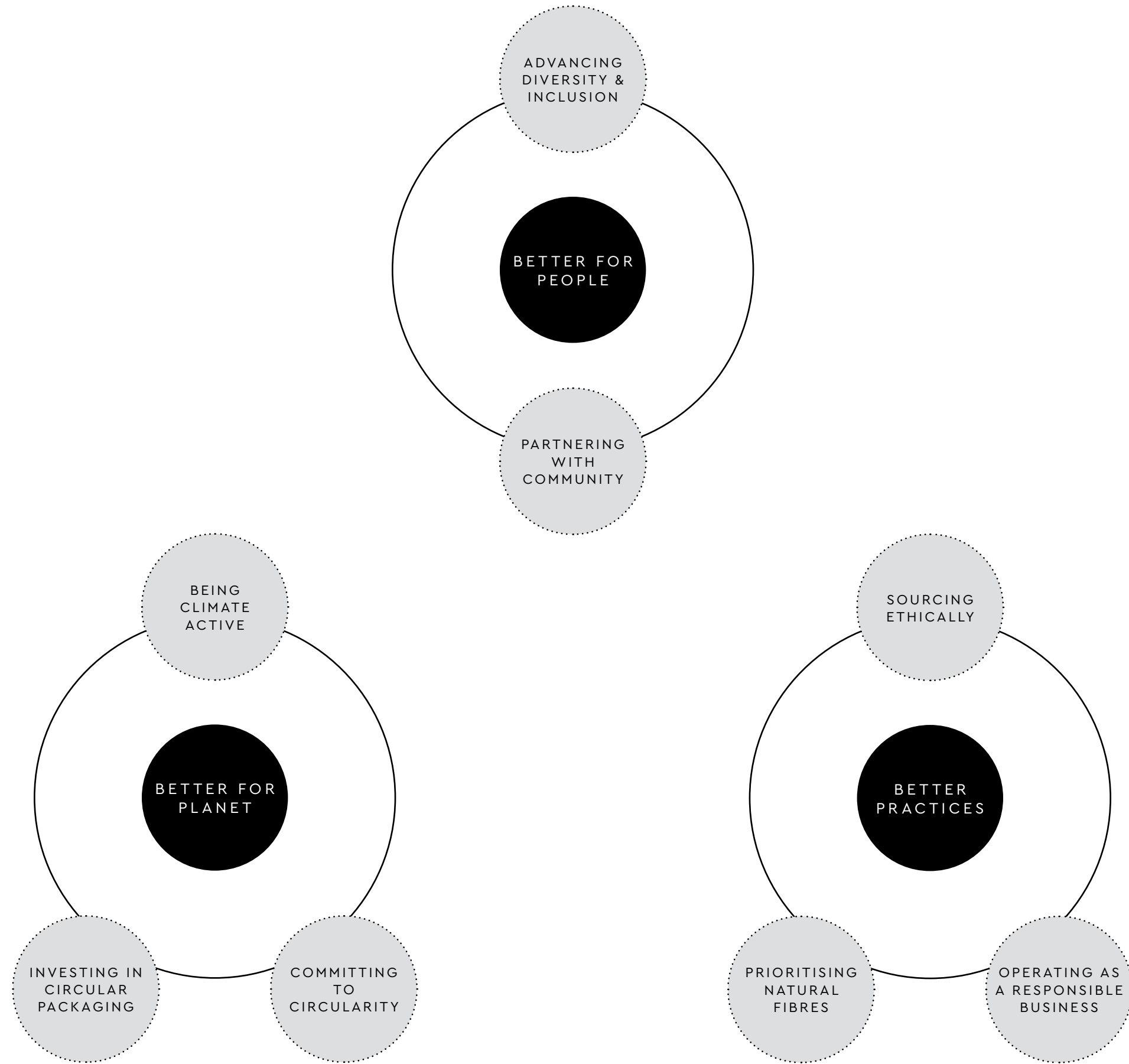
# MATERIALITY MATRIX

We conducted a Materiality analysis to identify the material topics for our key stakeholders both internal (M.J. Bale Staff) and external (including Suppliers, Partners, Customers and Investors), of which we incorporated and addressed as a part of our sustainability strategy.

IMPORTANT MATERIAL ISSUES FOR INTERNAL STAKEHOLDERS	IMPORTANT MATERIAL ISSUES FOR EXTERNAL STAKEHOLDERS
EMPLOYEE SATISFACTION AND WELLBEING	TRANSPARENT, FAIR AND ETHICAL BUSINESS OPERATIONS AND GOVERNANCE
HEALTHY AND SAFE WORK & SHOPPING ENVIRONMENTS	PRESERVATION AND PROTECTION OF WATER WAYS
TRANSPARENT, FAIR AND ETHICAL BUSINESS OPERATIONS AND GOVERNANCE	EMPLOYEE SATISFACTION AND WELLBEING
REDUCE TEXTILE WASTE AND END-OF-LIFE GARMENT MANAGEMENT	HEALTHY AND SAFE WORK & SHOPPING ENVIRONMENTS
UPSKILLING & DEVELOPMENT TRAINING FOR STAFF	SUSTAINABLE DESIGN AND DEVELOPMENT OF BUSINESS
REDUCE WASTE FROM PACKAGING	INVESTMENT AND PROTECTION OF ECOSYSTEMS & BIODIVERSITY
DIVERSE AND INCLUSIVE WORKPLACE	MANAGEMENT OF CUSTOMER DATA PRIVACY AND SECURITY
REDUCE ENVIRONMENTAL IMPACT OF SUPPLY CHAIN	RAW MATERIAL PROCUREMENT AND ETHICAL SOURCING
CAPABLE OF SERVICING ALL AND ENSURING ACCESSIBLE CUSTOMER EXPERIENCE	REDUCE TOXINS AND CAREFUL CHEMICAL MANAGEMENT
MANAGEMENT OF CUSTOMER DATA PRIVACY AND SECURITY	REDUCE GREENHOUSE GAS EMISSIONS AND RESPONSIBLE ENERGY CONSUMPTION



# M.J. BALE COMMITS TO



BETTER FOR PEOPLE

M.J. BALE



BETTER FOR PEOPLE





# TARGETS

## ADVANCING DIVERSITY & INCLUSION

M.J. Bale commits to being a diverse, inclusive and accessible company with an engaged workforce that advocates for a fairer world.

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Completion of safety audits every quarter

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Annual improvement Employee Engagement & Satisfaction

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Launch three Diversity & Inclusion initiatives (either internal or external) by 2025

## PARTNERING WITH COMMUNITY

M.J. Bale commits to investing in the local community through partnerships with charitable organisations.

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M.J. Bale commits to 2000 volunteer hours by 2025

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M.J. Bale commits to donating \$300,000 by 2025



## PROGRESS TO DATE

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Relaunched Diversity & Inclusion Steering Committee in 2022.

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Launched Diversity & Inclusion Working Group to engage the wider staff body in 2023.

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Launched volunteer time off policy, available to all full-time staff since 2022.

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To date, 115 volunteer hours have been contributed by 35 staff.

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Relaunched and updated health & safety audits in 2023.

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Conducted a holistic employee survey with 40% staff completion across entire business

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Improvement in all Diversity & Inclusion factors on Employee Survey from 2020 to 2022.

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Ran Health & Safety Training for Retail Leaders and implemented quarterly audits.



BETTER FOR PLANET

M.J. BALE

BETTER FOR PLANET



# TARGETS

## BEING CLIMATE ACTIVE

M.J. Bale commits to actively aim to reduce our carbon footprint, invest in on-farm regeneration projects and offset 100% of all unavoidable emissions through independently verified carbon reduction projects which projects that geographically reflect our global supply chain.

Science-based targets approved by Science Based Target initiative 2024.

Reduce Scope 3 freight carbon emissions through switching to sea freight where possible.

Ongoing experimentation to find reduction solutions to Scope 3 raw materials carbon emissions.

Explore avenues for take back garments, thus avoiding landfill and waste associated with Scope 3 emissions.

## INVESTING IN CIRCULAR PACKAGING

M.J. Bale commits to upgrade our packaging opting for recycled, recyclable or compostable materials.

Convert from soft plastics to 100% recyclable or compostable packaging by 2025.

Convert from hard plastics to 100% recycled plastic and recyclables by 2025.

## COMMITTING TO CIRCULARITY

M.J. Bale commits to preventing garments from being sent to landfill or incineration through implementing end-of-life management programs.

Pilot take-back program by 2023.

Take-back program to receive 3000 used units by 2025.

Conduct a fibre-to-fibre recycling trial by 2025



# PROGRESS TO DATE

Commissioned Carbon Scoping study for two-piece Kingston single-source Merino wool suit

Commissioned official greenhouse gas Life Cycle Assessment (LCA) on all products, covering cradle-to-grave and including end-user

Invested in carbon offset projects in Western Australia, China and India to represent our geographical global supply chain

M.J. Bale certified Carbon Neutral by Climate Active in 2021, covering both Organisation and Product

Piloted world's first commercial methane-reduced wool program at Kingston farm

Switched to certified GreenPower<sup>®</sup> for all retail stores and head office. Where GreenPower<sup>®</sup> was not directly available through energy retailers, we calculated our energy consumption and purchased LGCs our energy consumption and purchased LGCs

In 2022 we conducted the 'Lightest Footprint' project, aiming to create knitwear with the lightest carbon footprint through the use of methane-reduced wool and emission-free transport

Completed first FY22 true-up, resulting in the reduction of product carbon intensity across all categories by more than 20%

Switched packaging to recycled plastic for all soft plastic packaging and 30% recycled plastic in business shirt clips, FSC-certified paper or cardboard used for product packaging and all customer packaging and 100% cotton strings for product swing tags



BETTER FOR PRACTICE

M.J. BALE

BETTER FOR PRACTICE



# TARGETS

## ETHICAL SOURCING

M.J. Bale commits to upholding high ethical sourcing standards, working collaboratively with suppliers to reduce negative environmental impacts and ensure the protection of human rights of all people throughout our supply chain.

M.J. Bale audit Top 30 suppliers (representing 95% of production costs) by 2025

SEDEX Audit Top 30 suppliers (representing 95% of production costs) by 2025

## PRIORITISING NATURAL FIBRES

M.J. Bale commits to creating all our products from natural, organic or recycled fibres and to embed circularity into product design.

Maintain a minimum 95% natural fibre composition in all products

Replace virgin synthetic fibres with 100% recycled fibres by 2027

100% natural fibres in product range by 2025

## OPERATING AS A RESPONSIBLE BUSINESS

M.J. Bale commits to be a transparent, fair and responsible business in all aspects of our operations and corporate governance.

Annual Progress Report

Annual Data Privacy Audit

Annual Financial Audit

Investment in Regeneration and Innovation to advance the circular economy



## PROGRESS TO DATE

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Top-down commitment to sustainability targets from the Board, to Executives and senior leadership team.

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Updated supplier Code of Conduct and suppliers representing over 90% production costs have agreed to the Code

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Developed Supplier Screening tool for new production suppliers, which includes environmental and social considerations

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Completed our first Materiality Analysis engaging key stakeholder groups P=100

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Updated M.J. Bale Group Constitution to include Purpose Clause and Stakeholder Consideration

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Engaged in third-party Cyber Security audit

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Invested over \$330,000 in Kingston Biodiversity Regeneration since 2017, including over \$93,000 in FY23





ANNEX



# M.J. BALE SUSTAINABILITY COMMITMENT AND TARGET REFERENCE

M.J. BALE

Commitment Ref	Commitment to	Commitment Explainer	Target Ref	Targets
1.1	ADVANCING DIVERSITY & INCLUSION	To be a diverse, inclusive and accessible brand with an engaged workforce and who advocates for a fairer world	1.1.1	Completion of Safety Audits every quarter
			1.1.2	Annual Improvement Employee Engagement & Satisfaction
			1.1.3	Launch three Diversity & Inclusion initiatives (either internal or external) by 2025
1.2	PARTNERING WITH COMMUNITY	To invest in the local community through partnerships with charitable organisations	1.2.1	2,000 hours Volunteer by 2025
			1.2.2	\$300,000 donated by 2025 (incremental increase YoY from 0.03% to 0.06% to 1% of annual EBITDA)
2.1	BEING CLIMATE ACTIVE	To actively reduce our carbon footprint, invest in on-farm regeneration projects and offset 100% of all unavoidable emissions through independently-verified carbon reduction projects that geographically reflect our global supply chain	2.1.1	Science-Based Targets approved by SBTi by 2024
			2.1.2	Reduce freight carbon emissions through opting for sea freight where possible to reduce Scope 3 emissions
			2.1.3	Ongoing experimentation and innovation to find solutions to reduce raw materials carbon emissions Scope 3
			2.1.4	Explore avenues for take back garments, thus avoiding landfill and waste associated with Scope 3 emissions.
2.2	INVESTING IN CIRCULAR PACKAGING	To upgrade all our packaging to environmentally conscious alternatives, opting for recycled, recyclable and compostable materials.	2.2.1	100% Soft Plastics to Recyclable or Compostable Packaging by 2025
			2.2.2	100% Hard Plastics to Recycled Plastic and recyclable by 2025
2.3	COMMITTING TO CIRCULARITY	To implement end-of-life management programs that prevent garments being sent to landfill or incineration.	2.3.1	Pilot Take-Back program by 2023
			2.3.2	Take Back 3,000 units by 2025
			2.3.3	Conduct a fibre to fibre recycling trial by 2025
3.1	SOURCING ETHICALLY	To uphold high ethical sourcing standards, working collaboratively with suppliers to reduce negative environmental impacts. To ensure the protection of human rights of all people throughout our supply chain.	3.1.1	M.J. Bale audit Top 30 suppliers (representing 95% of production costs) by 2025
			3.1.2	SEDEX Audit Top 30 suppliers (representing 95% of production costs) by 2025
3.2	PRIORITISING NATURAL FIBRES	To create all our products from natural, organic or recycled fibres and to embed circularity into product design.	3.2.1	Maintain 95% Natural Fibre Composition in Product
			3.2.2	Replace virgin synthetic fibres to 100% recycled fibres by 2027
			3.2.3	100% Natural Fibre Product/Range by 2025
3.3	OPERATING AS A RESPONSIBLE BUSINESS	To be a transparent, fair and responsible business in all aspects of operations and governance	3.3.1	Annual Progress Report
			3.3.2	Annual Data Privacy Audit
			3.3.3	Annual Financial Audit
			3.3.4	Investment in Regeneration and Innovation to advance the circular economy



# PROGRESS REPORT

M.J. BALE

2024 TARGET	Target Ref	Not achieved	In Progress	Achieved	Comments
<b>IMPACT AREA: PEOPLE</b>	<b>ADVANCING DIVERSITY &amp; INCLUSION</b>		To be a diverse, inclusive and accessible brand, with an engaged workforce, and who advocates for a fairer world		
Continue to reinforce and improve Health & Safety across our retail environment.	1.1.1		○		Continuing to embed updated Health & Safety processes across Retail network with the goal of reducing incidents through a focus on prevention and addressing root causes.
Deliver external DE & I awareness coaching sessions and training for leadership team & HR Functions	1.1.2	○			We will engage an internal Diversity, Equality and Inclusion expert to deliver DE&I training for leadership team in Support Office and Retail.
Internally conduct gender gap analysis	1.1.2		○		We are conducting our first gender pay analysis for all salaried staff at M.J. Bale to identify any pay gaps across all levels of the business.
Roll out mental health first aid training to leadership teams & HR functions	1.1.2	○			To further upskill our staff we will be providing Mental Health First Aid training to the leadership team and People team.
Accessibility audit of stores and online	1.1.3	○			A review of the accessibility of our retail store designs and website will be conducted including recommendations on how to provide greater accessibility to all customers namely those who live with a disability.
Revise campaign process to include promotion of relevant social and or environmental causes	1.1.3		○		Marketing and Creative teams have undergone training to better understand their role in sustainability, including promotion of relevant social and/or environmental causes.
<b>IMPACT AREA: PEOPLE</b>	<b>PARTNERING WITH COMMUNITY</b>		To invest in the local community through partnerships with charitable organisations		
Staff volunteering target: 780 hours	1.2.1		○		Over the next financial year we will coordinate volunteer activities for our staff to engage with nationwide in effort to engage and give back to our local communities.
Commit to donating \$95K for FY24 supporting initiatives and charities in alignment with core values of M.J. Bale	1.2.2		○		As a part of our commitment to donate \$300,000 over the coming 3 years, this financial year we will donate \$95,000 to select registered charities. We are currently exploring long-term partnerships with charities in which we can provide ongoing support.



# PROGRESS REPORT

M.J. BALE

2024 TARGET	Target Ref	Not achieved	In Progress	Achieved	Comments
<b>IMPACT AREA: PLANET</b>	<b>BEING CLIMATE ACTIVE</b>			To actively reduce our carbon footprint, invest in on-farm regeneration projects and offset 100% of all unavoidable emissions through independently verified carbon reduction projects that geographically reflect our global supply chain	
Commit to carbon intensity reduction targets of our products	2.1.1		○		Our product carbon intensity has reduced, and we aim for further reductions via our Scope 3 emissions. Before making formal commitments, we are currently analysing existing data to ensure our reduction strategies will be effective in reducing Scope 3 emissions. We wish to align our reduction targets with Science-Based Target initiatives.
Commence garment Take Back initiative	2.1.4			○	Through our new take back program, ReBale, we are able to provide a service to customers that enable us to divert M.J. Bale garments from landfill or incineration. By diverting garments from landfill, we will be able to reduce emissions associated with disposal.
Continue to embed reduction processes within our business	2.1		○		We have introduced logistics policies for both inbound and outbound freight that details our selection process for lowest emissions transportation possible for moving our garments (unless in exceptional circumstances). We are continuing to embed similar policies and processes that will support the reduction of our carbon emissions.
<b>IMPACT AREA: PLANET</b>	<b>INVESTING IN CIRCULAR PACKAGING</b>			To upgrade our packaging to recycled, recyclable or compostable materials.	
Continue our progress towards all packaging being reusable, recyclable or compostable; increase recycled content.	2.2		○		Two years ago we executed a packaging review, which saw us switch to recycled material inputs, FSC-certified paper or cardboard and recyclable options for our product packaging, as well as reduce overall product packaging. We also upgraded new customer-facing packaging to FSC-certified paper. Recyclable and soy-based inks are used for printing of branding. We continue to explore other alternatives to existing packaging options to further reduce impact.
Implement waste management system into retail stores	2.2			○	An internal audit was done at selected stores to better understand our retail network waste output. The report discovered the majority of waste output was product packaging, followed by a small percentage of retail ops-related waste, cleaning products and staff food/drink packaging. It noted most stores do not have a recycling bin to facilitate the diversion of recyclable materials from landfills. The report findings informed the aforementioned goal to reduce product packaging and opt for recyclable alternatives, while also introducing store recycling bins.



# PROGRESS REPORT

2024 TARGET	Target Ref	Not achieved	In Progress	Achieved	Comments
<b>IMPACT AREA: PLANET</b>	<b>COMMITTING TO CIRCULARITY</b>			Implementing end-of-life management programs to prevent garments from being sent to landfill or incineration.	
Create formal faulty garment policy and process	2.3		○		In addition to our ReBale project, we are ensuring any faulty garments are never sent to landfill. We are exploring partnerships with onshore textile recyclers so damaged garments are able to be recycled or upcycled.
Produce customer education content on how best to care for your clothes	2.3	○			Our Life Cycle Assessment revealed that over 30% of carbon emissions associated with our product from cradle-to-grave can be attributed to customer garment care. This is outside the scope of our carbon footprint, as we are unable to control how customers care for their garments. We can, however, help inform customers via content assets that educate them on how to best care for their garments to increase their longevity and minimise their environmental impact.
Pilot two circular strategies: Take Back & Resale	2.3		○		We have relaunched ReBale, our take-back program, and are monitoring the engagement of customers. Later in the year we will pilot ReSale in select stores that will enable customers to purchase pre-loved garments that have been eco-dry-cleaned.
<b>IMPACT AREA: PRACTICE</b>	<b>SOURCING ETHICALLY</b>			To uphold high ethical sourcing standard, working collaboratively with suppliers to reduce negative environmental impact and ensure the protection of human rights of all people throughout our supply chain	
Continue to collect information from our suppliers on their environmental performance—including carbon, water, waste, chemicals and biodiversity.	3.1.1		○		We created our own screening tool for new suppliers which include social and environmental practices. This screening tool is also being rolled out to our existing suppliers to identify their current social and environmental practices. The goal is to better understand these areas of our supply chain so we can support our supply chain partners on their sustainability journeys.
Become a SEDEX member	3.1.2			○	In September we joined as member of SEDEX and will utilise their platform to better understand and further improve our human rights due diligence as well as continuing to use their recognised SMETA audits to third-party audit our key suppliers.
Continue to strengthen supply chain due diligence through both self-assessment and third-party assessment to protect human rights across all stages of our supply chain	3.1		○		Our suppliers are SMETA audited every 2 years where we will continue this practice as well as additional self-assessment reviews to gain insights into specific practices from our supplier so we can better understand how they are promoting and protecting human rights within their business operations.
Publish Modern Slavery Statement	3.1		○		As of the end of FY23, we are now required to report on and submit a Modern Slavery Statement in accordance to the Modern Slavery Act 2018. We are currently part way through writing our first Modern Slavery Statement and will publish in the coming months to the Modern Slavery Register.



# PROGRESS REPORT

2024 TARGET	Target Ref	Not achieved	In Progress	Achieved	Comments
<b>IMPACT AREA: PRACTICE</b>	<b>PRIORITISING NATURAL FIBRES</b>			To design all our products with natural and organic fibres and embed circularity into product design	
R & D work with partners to explore alternatives to synthetic fibres and trims	3.2.2		○		Our product design team are actively searching for natural fibre alternatives to synthetic fibres and trims especially, as we strive to creating an entirely 100% natural fibre garment. This quest is highly dependent on R & D in the fabric and trims space, where we are currently forming partnerships with new suppliers.
Strengthen system and data analysis to capture natural fibre composition with greater accuracy, including main garment, linings and trims	3.2	○			Better data clarity has proven to be largely beneficial to the business, especially for our carbon footprint FY22 true-up. Data clarity was a major lever for our footprint reduction, due to less reliance needed on conservative assumptions. We understand the need to improve the overall system for product development and are exploring tools and platforms to further enhance our capability to capture, analyse and utilise product related data.
<b>IMPACT AREA: PRACTICE</b>	<b>OPERATING AS A RESPONSIBLE BUSINESS</b>			To be a transparent, fair and responsible business in all aspects of its operations and governance	
Publish first Progress Report	3.3.1			○	By the nature of publishing this report, we have achieved this goal. We will continue to publish annual Progress Reports to keep our customers and the community updated on our progress towards our sustainability goals.
Develop internal data privacy annual audit process to supplement third-party engagement	3.3.2		○		We have engaged a third-party data privacy and security organisation to conduct a review of our existing data security practices. As well as adopting their recommendations, we will develop our own internal data privacy audit for us to self-assess annually, reflecting latest standards and recommendations in the data security sector.
Continue investment in Kingston farm via store-to-farm rebate program	3.3.4			○	We continue to invest in our long-term partnership with Kingston farm, Tasmania. We return a percentage of every M.J. Bale/Kingston garment sale to the farm to be reinvested into biodiversity preservation and land regeneration/revegetation projects.
Ongoing trials and experimentation with methane-reduced wool	3.3.4				We have successfully conducted two commercial methane-reduced wool trials, yielding an approx. total of 1.4 tonne of greasy Merino wool. We are currently executing additional trials with new scientific partner explore to better understand the on-farm methane abatement. In addition, we are currently developing methane-reduced wool products for market.
Begin developing sustainable store concept	3.3	○			To further embed sustainability across our business, we are developing design concepts that sees our stores transition to become more sustainable through materials, fixtures and layout.
Create new and strengthen existing partnerships with multi-stakeholder groups, both domestic and international	3.3		○		Partnerships are key to a faster transition towards sustainability. We are exploring new partnerships, memberships and networks to help us address key challenges material to M.J. Bale and the fashion industry. As part of this, we have recently joined United Nations Global Compact Network Australia as a participant.



# SUSTAINABILITY STRATEGY AND UN SDGS

	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
<b>ADVANCING DIVERSITY &amp; INCLUSION</b> To be a diverse, inclusive and accessible brand with an engaged workforce and who advocates for a fairer world		8.5		10.3				16.7 16.b	17.16
<b>PARTNERING WITH COMMUNITY</b> To invest in the local community through partnerships with charitable organisations				10.3			15.3		17.16 17.17
<b>BEING CLIMATE ACTIVE</b> To actively aim to reduce our carbon footprint, invest in regeneration projects and offset 100% of all unavoidable emissions through green projects that reflect our global supply chain	7.2		9.4 9.5		12.2	13.2 13.3	15.3 15.a		17.16 17.17
<b>INVESTING IN CIRCULAR PACKAGING</b> To upgrade all of our packagings to environmentally conscious alternatives opting for recycled, recyclable and compostable materials.					12.2 12.5 12.8				17.16
<b>COMMITTING TO CIRCULARITY</b> To strive for zero M.J. Bale garments being sent to landfill or incineration through end-of-life garment management			9.4 9.5		12.2 12.5 12.8	13.2 13.3			17.16
<b>SOURCING ETHICALLY</b> To uphold high ethical sourcing standard, working collaboratively with suppliers to reduce negative environmental impact and ensure the protection of human rights of all people throughout our supply chain		8.5 8.7 8.8			12.2 12.5 12.8		15.3	16.7 16.b	17.16
<b>PRIORITISING NATURAL FIBRES</b> To design all our products with natural and organic fibres and embed circularity into product design			9.4 9.5		12.2 12.5		15.a		17.16
<b>OPERATING AS A RESPONSIBLE BUSINESS</b> To be a transparent, fair and responsible business in all aspects of its operations and governance	7.2	8.5 8.7 8.8	9.4 9.5	10.3	12.2 12.5 12.6 12.8	13.2 13.3	15.3 15.a	16.6 16.7 16.b	17.16 17.17





M.J. BALE