



M.J. BALE

Modern Slavery
Statement

FOR FINANCIAL YEAR 2025
1 AUGUST, 2024 - 31 JULY, 2025

M.J. Bale is committed doing right by our customers and community, so together we can do right by the world.

Provenance | Authenticity | Integrity | Character



Introduction

This statement has been published in accordance with the Australian Modern Slavery Act 2018. It outlines the actions undertaken by M.J. Bale in the financial year ending 31 July 2025 to assess and address the risks of modern slavery in its business and supply chain, as well as focus areas for the future. The Australian company number of Newbale Clothing PTY LTD trading as M.J. Bale is ACN 136405091 and ABN 33136405091. The registered office Details are: Unit 24, Rosebery Engine Yards, 115-151 Dunning Ave, Rosebery NSW 2018

References to 'M.J. Bale', 'we' or 'us' in this statement refer to Newbale Clothing.

We do not own or control any other trading entities and there was no other consultation with any other entities in preparation of this statement.

This statement as approved by the board of M.J.Bale groups in their capacity as the principal governing body of M.J. Bale on the 17th February 2026.

This statement is signed by Matt Jensen in his role as the Chief Executive officer of M.J. Bale on the 6th of February 2026.

A handwritten signature in black ink that reads "Matt Jensen". The signature is written in a cursive, flowing style.

Matt Jensen
Chief Executive Officer of M.J. Bale
6th February 2026

Letter from the CEO

At M.J. Bale, we believe that true style is not only defined by how a garment looks and feels, but also by the integrity of the journey it takes to reach our customers. From the farm to the final stitch, we are committed to ensuring that every stage of our supply chain upholds the dignity, rights, and wellbeing of the people who make our garments possible.

We take great pride in sourcing natural fibres from around the globe, including our single-origin wool from Australian farms. Our collections are designed in-house in Sydney and in Italy, with input from tailoring and textile experts worldwide. We take great care and pride in partnering with mills and makers who share our values of craftsmanship and responsibility. We also recognise that with a global supply chain comes the responsibility to continually identify, mitigate, and address social and environmental risks.

Modern slavery is a systemic issue and no company can claim to be immune.

While challenges remain, we are committed to continuous improvement and collaboration with our partners, industry peers, and customers.

Thank you for supporting M.J. Bale as we continue on this journey.

Sincerely,

A handwritten signature in black ink that reads "Matt Jensen". The signature is written in a cursive, flowing style.

Matt Jensen
Founder & CEO
M.J. Bale



Our Business and Operations

M.J. Bale is a proudly an Australian-owned menswear company, founded in 2009 by Matt Jensen with a simple goal: to craft 'garments of integrity for men of character'. Today, we offer complete wardrobe solutions from business tailoring to lifestyle wear, through our website, over 80 M.J. Bale stores across the country, and selected department store partners.

We are vertically integrated, which means we're involved in every stage of bringing our garments to life from design and development through to sourcing, manufacturing, and retail. Our Support Office is based in Sydney, with team members working in stores and offices nationwide, supported by dedicated offshore teams in Vietnam and the Philippines.

We are proud to work directly with Australian wool growers and natural fibre experts, as well as global garment makers, mills and artisans. Wherever possible, we prioritise suppliers who share our values.

We continue to strengthen our approach to supplier relationships, traceability, and human rights due diligence. Every year, we deepen our understanding of our supply chain and hold ourselves accountable to higher standards.



OPERATE IN AUSTRALIA

84

STORES ACROSS NSW, VIC, QLD, SA, TAS, ACT AND WA

83

SUPPORT OFFICE STAFF (FULL TIME & PART TIME)

403

RETAIL STAFF (FULL TIME, PART TIME & CASUAL)

As of 31 July 2025

Our Supply Chain

M.J. Bale sources a wide range of goods and services across a global value chain. In FY25, we engaged with over 90 suppliers, including 35 Tier 1 suppliers responsible for manufacturing our finished products. Our broader supplier base spans multiple tiers, from raw material processing through to garment production and finishing; as well as suppliers that support our operations.

Of our significant suppliers, our Top 10 account for 86 percent of total spend, demonstrating a consolidated supply chain centered around strong, long-standing partnerships. Our Top 30 supplier groups represent over 95 percent of our FY25 product supply chain spend and our Significant Suppliers represent 31 Facilities.



Significant suppliers are those whom we conduct a higher volume of business and spend greater cost value for the reporting period, falling in the top 30 suppliers.

Significant facilities represent our top 30 facilities in the same manner. A single supplier can have multiple facilities.

These groups therefore are of top priority when assessing and addressing modern slavery risks.

Our operations are global, with our Significant Suppliers located across Australia, Italy, India, Vietnam, China, the United States, Thailand and others. Alongside this, the craftsmanship is supported by specialist regions such as Tasmanian wool farms, reflecting a blend of long-term strategic relationships and specialist production capabilities.

Each of these countries and regions presents different risks and opportunities, and we recognise that the risk of modern slavery varies across context and increases further upstream in supply chains.

Our consolidated supplier structure, and vertical integration enables deep engagement, clear communication and a strong foundations for responsible purchasing as we continue to work toward high standards of human rights, and best practice sourcing throughout our operations.



Our Supply Chain

M.J. Bale’s supply chain spans every stage of garment creation, from raw fibre to finished product. At Tier 1 (Makers), our partners cut, make, and finish garments in factories around the world. At Tier 2 (Weavers and Knitters), specialist mills produce the fabrics, linings, and leathers that define the quality of our collections. At Tier 3 (Growers), raw fibre sources, including our signature single-origin Australian wool, form the foundation of our designs.

To manage this complexity, we focus on building long-term supplier relationships, embedding our Code of Conduct across our supply chain, and combining independent audits with collaborative action plans. By prioritising relationship and continuous improvement across all tiers, we are working towards a supply chain that reflects both our commitment to craftsmanship and our responsibility to protect the rights and dignity of workers worldwide.

M.J. Bale’s supply chain is central to our commitment to integrity and sustainable practices. Generally, characteristics of our supply chain tiers are:

Tier 1 (Makers): where garments are cut, made, and finished.

Tier 2 (Weavers and Knitters): where fabrics, linings, and leather are produced.

Tier 3 (Growers): farms and fibre sources, including our signature single-origin wool.

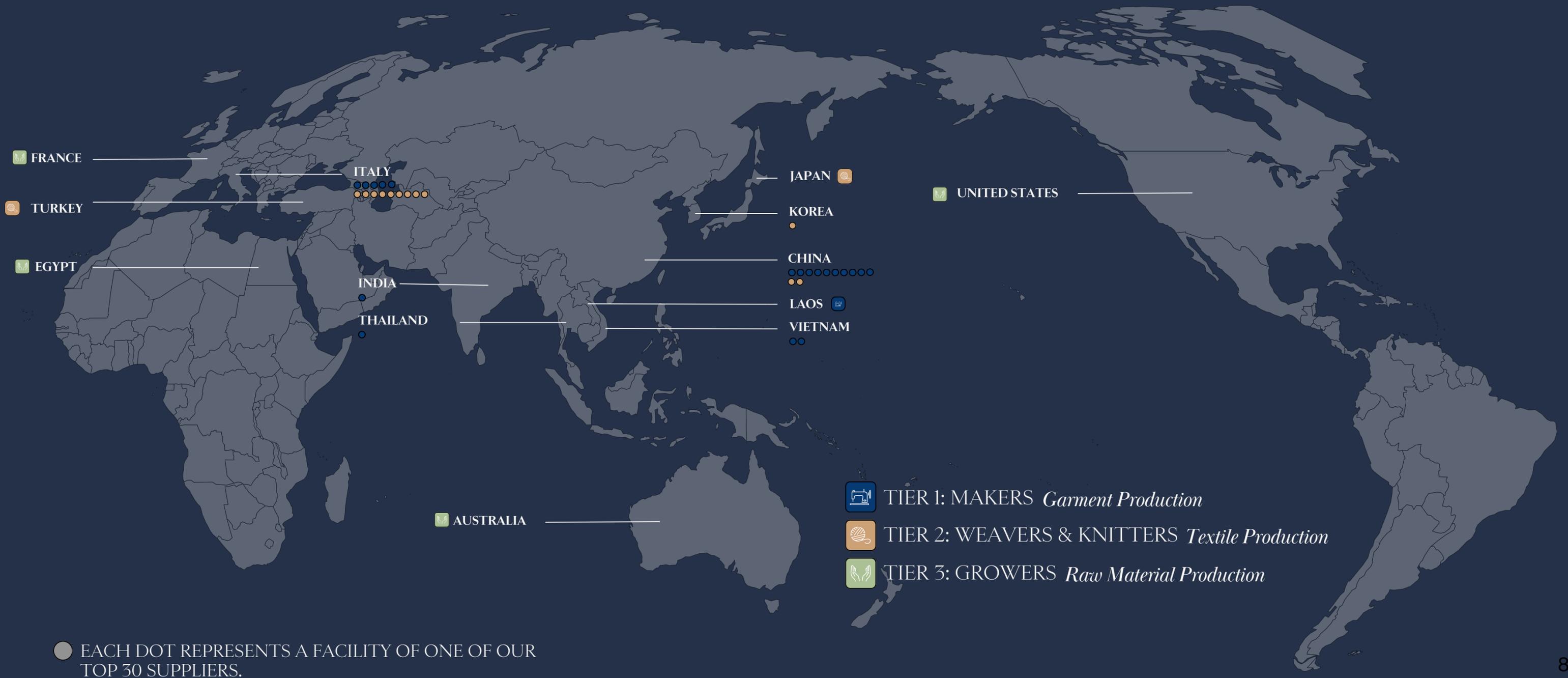
Tier		Visibility
	TIER 1 <i>Makers</i>	Finished good manufacturers such as cut, sew and assembly. 100% mapped
	TIER 2 <i>Weavers & Knitters</i>	Fabric suppliers and mills who are responsible for textile production including weavers, spinners and ginners, as well as trim suppliers. Visibility of 37 fabric suppliers and 6 trim suppliers.
	TIER 3 <i>Growers</i>	Raw material producers including wool, cotton and linen farms. 2 Tasmanian wool farmers

Indirect Suppliers are not within our supply chain, providing goods or services that contribute to our business operations such as cleaning or consulting services.

Direct Suppliers provide goods or services that are found in or directly involved with our products.



Our Supply Chain



● EACH DOT REPRESENTS A FACILITY OF ONE OF OUR TOP 30 SUPPLIERS.

Our Supply Chain

Human rights and modern slavery risks can occur in every geography and at every tier of the supply chain. These risks are not limited to high-risk regions alone, but are inherent wherever workers and complex production systems, such as garment supply chains, intersect.

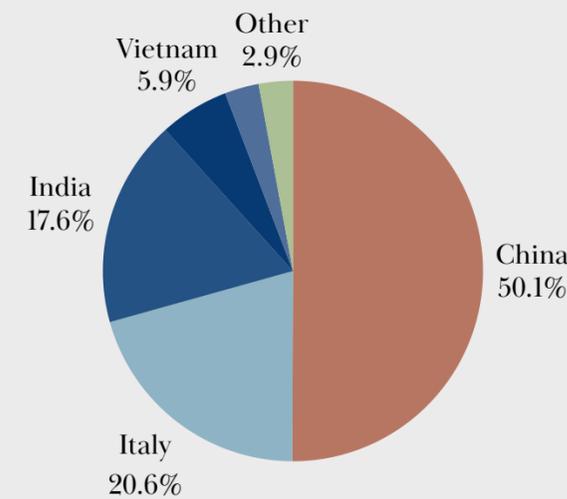
Understanding where the majority of our products are made, where our facilities are located, and how our financial spend is distributed enables us to more effectively evaluate impacts, assess risks, and allocate resources where they will have the greatest influence. This process forms part of our ongoing due diligence, supporting both compliance with the Modern Slavery Act and our broader commitment to ethical sourcing.

We continue to work with and strengthen our relationship with Italian mills, which reflects a natural extension of our commitment to provenance, sustainability, craftsmanship, and garments of enduring quality. Italian weavers bring not only exceptional quality but also traceability and adherence to the strictest ESG standards, helping us honour the story behind each piece.

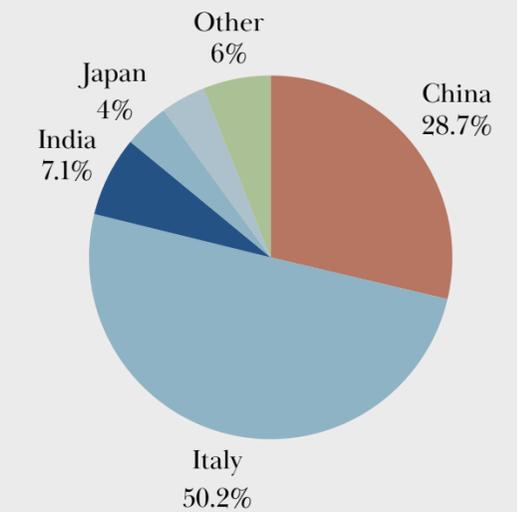
We also know that risks to people and planet exist in every sourcing region and tier. That's why we take a deliberate, values-led approach: mapping our supply chain, upholding our Code of Conduct, and using risk assessments to guide decisions. Our goal is to make informed choices that protect workers' rights and wellbeing, while strengthening the long-term sustainability of our supply network.

Behind every product is a story of provenance, craftsmanship, and responsibility.

GEOGRAPHIC DISTRIBUTION OF TIER 1 FACILITIES



GEOGRAPHIC DISTRIBUTION OF KNOWN TIER 2 FACILITIES



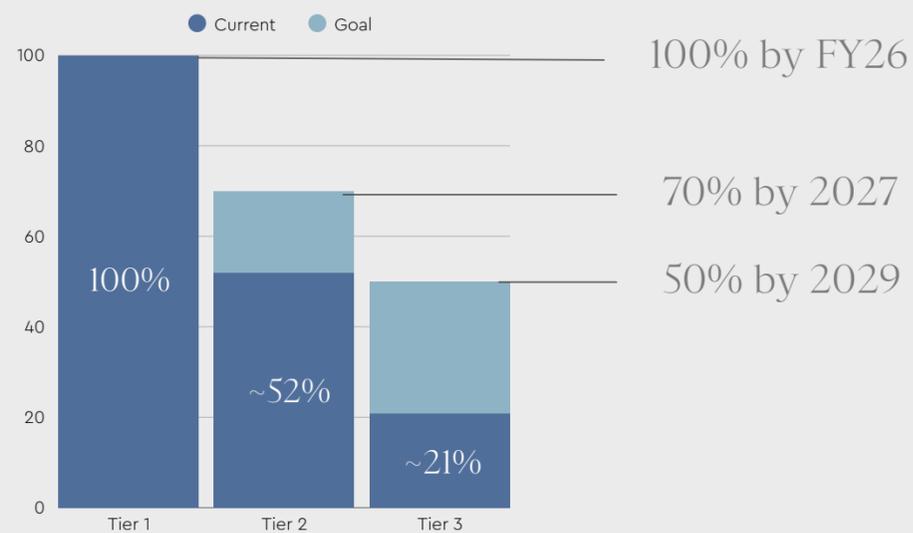
Knowing Our Suppliers

Understanding the people, places and conditions behind our products is central to M.J. Bale’s approach to responsible sourcing. We continue to hold long and deep relationships with our suppliers, and this reinforces the importance of strong monitoring and ongoing dialogue with our supplier partners.

Visibility and Traceability

We continue to strengthen our understanding of who makes our products and under what conditions. While we have clear long-term goals for improved mapping, including a target tracing 70 percent of Tier 2 suppliers by 2027 and 50 percent of Tier 3 suppliers by 2029. We are still early in this journey and our current focus is on building accurate understanding, strengthening relationships and improving supplier readiness for deeper forms of verification over time.

Supply Chain Mapping Progress



Worker Demographics

In FY25, more than 8,000 people were employed across the facilities that manufacture and support our products and we continue to build a clearer picture of the workers in our supply chain. Early insights show that workers are primarily located in Italy, Korea, China, India, Thailand, Vietnam and Australia.

We estimate across the identifiable workforce that there are 3,105 workers located in high-risk countries that we continue to monitor closely. Around 11% of those working in facilities across the supply chain are temporary or migrant workers. A significant portion of our workforce is female with approximately 4200 women and at least 75 of these women hold management roles.

Strengthening Data and Relationships

We are continuing to deepen our supplier mapping, including workforce surveys aimed at increasing visibility across Tier 2 and Tier 3 suppliers. These insights continue to aid us in refining our approach to risk management, capacity building and responsible purchasing.

Our Code of Conduct

As of the end of 2025:

- 100% percent of our ongoing Tier 1 significant suppliers are covered by our Code of Conduct or an equivalent standard.
- 100% percent of the mapped Tier 2 significant suppliers are also directly engaged with our Code of Conduct or an equivalent standard.

Limits of Engagement

Our greatest oversight challenges are at Tier 2 and Tier 3, where direct monitoring is limited and visibility often depends on certification schemes.

While we work with long-term, trusted partners, we acknowledge that our leverage decreases further upstream and that not all risks can be fully observed.

Assessing Modern Slavery Risks

As an Australian owned and operated fashion brand, our risks are shaped strongly by our industry, as the garment industry's supply chain is highly susceptible to modern slavery risks. The most recent Walk Free Global Slavery Index Report identifies the garments as a top at-risk product. Other risk factors, such as geography, product and business model, add to the complexity of modern slavery in the fashion industry.

Geographic Risks

As outlined, the geographic allocation of suppliers is a risk factor for modern slavery. Several key countries including China, India, Thailand and Vietnam are known garment production locations with an increased risk for modern slavery.

Fashion Industry Risks

The primary reason why the fashion industry is associated with higher risks of modern slavery is due to the primary product being garments. The garment industry has high rates of reported forced labour and other modern slavery practices which are made more complex to address due to opaque supply chains involving subcontractors and intermediaries

At-Risk Products

Additionally, some products involved in the garment production process further increase the risk of modern slavery throughout the supply chain, where cotton, textiles and thread/yarn were also identified, as were other at-risk products

Business Model Risks

Lastly, it is common practice for brands to design seasonal collections which can lead to a business model risk. This is because pressure is placed on garment manufacturers to deliver products with tight turnarounds which can result in a drop in safety standards and excessive working hours. In addition, businesses often negotiate for competitive pricing with suppliers and to do so, suppliers may reduce employee wages to save on cost.

Risk assessment Approach

At M.J. Bale we regularly undertake assessments of modern slavery risks across our operations and supply chain, carefully considering how we may be causing, contributing or directly linked to modern slavery practices. Importantly, we acknowledge that operating in the garment industry heightens the risk of modern slavery within our supply chain. Factors such as the geographical location of some of our suppliers, sourced materials for some of our products and the nature of producing seasonal collections, all play a role. We also recognise that visibility challenges in certain areas of our supply chain may carry additional modern slavery risks due to being unable to ensure accountability to our high ethical standards and practices. This is mainly regarding our tier 2 suppliers, weavers and knitters, and tier 3 suppliers, growers of raw materials.

Our assessments consider both labour rights and environmental and social risks, drawing on data from supplier surveys and independent audits. We do not tolerate any form of forced labour and have embedded this requirement into our Supplier Code of Conduct.

The following risk factors have been identified as increasing the likelihood of modern slavery practices occurring throughout our supply chain:



Industry Risk

The key characteristics of the garment industry generally involved low skilled workers, labour intensive tasks and short lead times. This creates a higher risk for certain labour and human rights impacts. These risks exist at every level of the supply chain.



Product Risk

Some products hold a higher risk of impact than others due to the processes used make them. For example, cottons are known for risks associated with forced labour and slavery practices in harvesting cotton.



Geographical Risk

Some countries are more at risk of modern slavery due to poor governance, failure to adopt international conventions and socioeconomic challenge. These risk can lead to labour rights violations, inadequate worker protections and high exploitation rates among vulnerable populations.



Business Model Risk

An enterprise's business model, including the variety and frequency of product line changes, influences supply chain risk. More product lines and frequent cycles increase risks due to varied materials, production processes and shorter production time frames, potentially leading to labour abuses.

Risk Assessment Approach

M.J. Bale conducts an annual risk assessment to identify and prioritise modern slavery risks throughout our global supply chain. This assessment incorporates four essential factors:

- Prevalence of modern slavery in each country (scored out of 10)
- Government response to modern slavery risks (scored out of 10)
- ILO Overall Score (scored out of 10)
- M.J. Bale's level of financial expenditure in that country (scored out of 5)

Each country receives an overall score out of 35, which allows for a consistent evaluation of relative risk:

- Low Risk: 1-11
- Medium Risk: 12-23
- High Risk: 24-35

M.J. Bale applies a relative risk lens when assessing modern slavery risk aligned with the nature of our sourcing footprint and the inherent limitations of country-level indices. Thus, countries in the upper end of the score distribution are treated as priority risk areas, and medium and low risk areas are treated accordingly. By combining external indicators with internal spend data, this approach enables resources to be directed where they are most needed, guiding enhanced due diligence, deeper supplier mapping, targeted engagement, and corrective action monitoring.

This approach enables us to allocate our resources where they are most necessary alongside assessing risk in a manner that is both evidence-based and customised to M.J. Bale's specific operations.

Our current findings indicate that while some regions exhibit a lower overall risk, others demand closer observation and targeted engagement. These insights inform our strategy for supplier mapping, corrective action plans, and long-term responsible purchasing practices.

Assessing Modern Slavery Risks

Through our Modern Slavery risk assessment, we identified certain modern slavery practices that are more likely to occur in our supply chain due to the aforementioned modern slavery risk factors.

Risks identified include:

Tier 1 (Factories): excessive overtime, safe working environments.

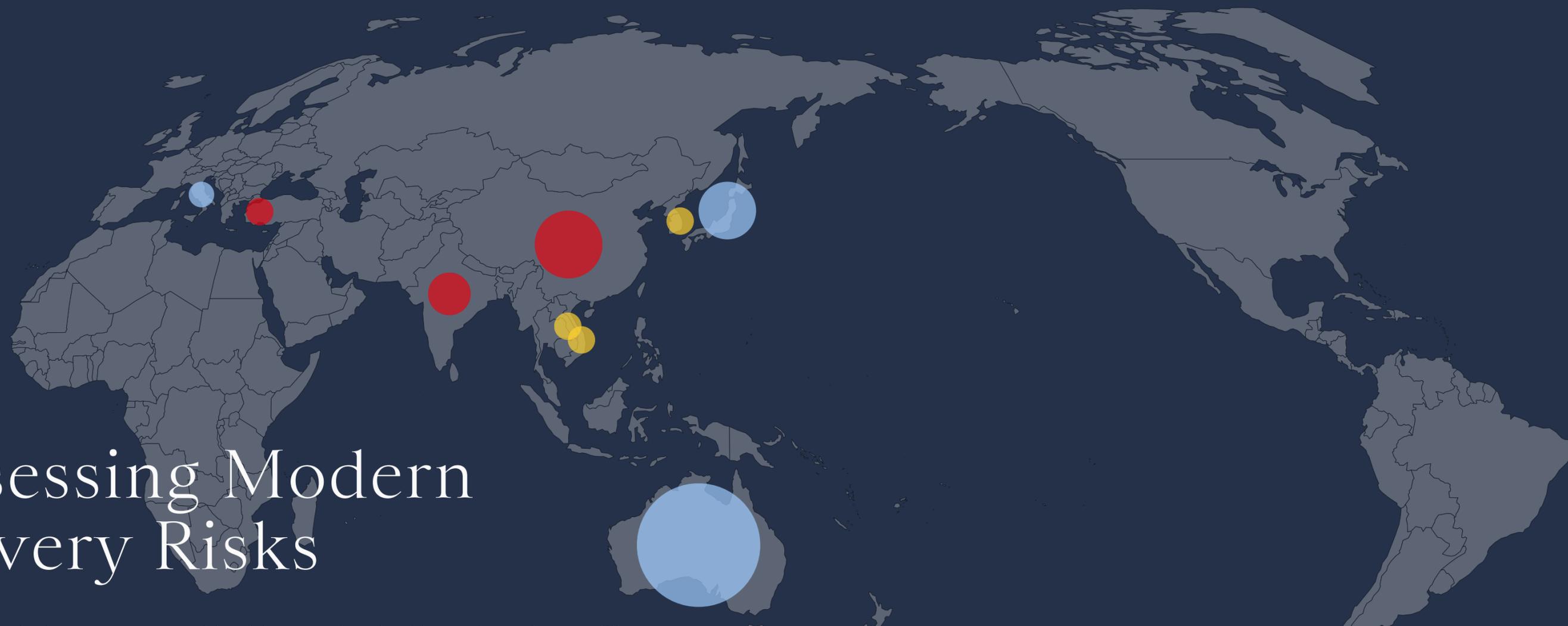
Tier 2 (Mills): wages and benefits, freedom of association.

Tier 3 (Raw Materials): highest risk for forced and child labour, with current traceability challenges, significant environmental risk.

SUPPLY CHAIN TIER		
1	Makers: Garment Production	2
	Weavers & Knitters: Textile Production	3
		Growers: Raw Material

MODERN SLAVERY RISK FACTORS			
	Industry Risk		Geographical Risk
	Product Risk		Business-Model Risk

MODERN SLAVERY RISK	WHERE RISK IS MOST LIKELY	RISK FACTOR	CONTINUUM OF INVOLVEMENT
Under age and forced child labour	1 2	  	A risk that we may be directly linked to modern slavery through our procurement of product.
Forced Labour	1 2 3	  	A risk that we may be directly linked to modern slavery through our procurement of product.
Exploitative of migrant workers	1 2 3	 	A risk that we may be directly linked to modern slavery involving our indirect workforce.
Workplace health and safety	1 2 3	  	A risk that we may be directly linked to modern slavery through our procurement of product.
Non compliance with minimum wage laws	1 2 3	 	A risk that we may be directly linked to modern slavery involving our indirect workforce.
Wages not meeting family living needs	1 2 3	  	A risk that we may be directly linked to, or without appropriate due diligence, contractual controls and monitoring processes, we may contribute to modern slavery involving our indirect workforce.
Excessive working hours	1 2 3	  	A risk that we may be directly linked to, or without appropriate due diligence, contractual controls and monitoring processes, we may contribute to modern slavery involving our indirect workforce.
Debt bondage	1 2 3	 	A risk that we may be directly linked to modern slavery through our involving our indirect workforce.
Lack of formal employment or contracts	1 2 3	  	A risk that we may be directly linked to modern slavery through our involving our indirect workforce.
Gender-based and cultural discrimination	1 2 3		A risk that we may be directly linked to modern slavery through our involving our indirect workforce.
Migrant workers	1 2 3	 	A risk that we may be directly linked to modern slavery involving our indirect workforce.
Ughur Forced Labour	1 2 3	  	A risk that we may be directly linked to severe human rights abuses through our procurement of product.
Grievance Mechanisms and Remedy	1 2	  	A risk that modern slavery may go unidentified or unremediated if effective grievance and remedy mechanisms are not in place.
Poor recruitment practices and labour hire intermediaries	1 2 3	 	A risk that we may be linked to modern slavery involving an indirect workforce.
Unauthorised subcontracting	1 2	  	A risk that we may be linked to modern slavery involving an indirect workforce.
Restrictions on freedom of association	1 2	 	A risk that we may be directly linked to modern slavery involving our indirect workforce.



Assessing Modern Slavery Risks

As mentioned, there are geographic risks associated with modern slavery. The geographical risk level is dependent on the occurrences of modern slavery in a country, the reported prevalence, and government action or inaction on addressing modern slavery. Referenced Resources include the Global Slavery Index (Walk Free), and the ILO Labor Rights Indicator. The Risk Level diagram provides our relative risk level assessment for our direct suppliers for the reporting period.

Risk Level	Country of Significant Supplier	Country of Non-Priority Suppliers
High	China, India	Turkey
Medium	Vietnam	Korea, Laos
Low	Italy	Japan, Australia

Governance and Policy Controls

We are committed to ensuring our operations and supply chain are free from modern slavery practices. Our governance framework supports this commitment through clearly defined policies, procedures, and accountability mechanisms. Key governance and policy controls include:

Supplier Code of Conduct (COC)

Our Supplier Code of Conduct outlines the minimum standards expected of all suppliers, contractors, and business partners. This includes the prohibition of forced labour, child labour, and exploitative working conditions, and sets expectations for fair wages, safe working environments, and legal compliance. All suppliers are required to confirm adherence to the Code as a condition of engagement.

Enterprise Agreements and Purchase Order Terms

Where applicable, we operate under Enterprise Agreements that support fair wages and safe working conditions for our employees.

Employee Code of Conduct

Our Employee Code of Conduct sets out the behavioural expectations of all staff, including integrity, respect, and ethical conduct. It reinforces our zero-tolerance stance on modern slavery and mandates the reporting of any suspected breaches through internal or external channels.

Discrimination, Harassment, and Bullying Policy

We uphold a workplace culture of safety and respect. This policy outlines our commitment to preventing all forms of workplace abuse and provides clear reporting and investigation procedures. By promoting inclusion and dignity at work, we reduce the risk of coercive or exploitative behaviours.

Labour Practice Standards and Human Rights Policies

We align with internationally recognised labour standards and support the right to freedom of association, collective bargaining, and fair working conditions. Our internal labour practice codes guide employment relationships, recruitment processes, and contractor arrangements in line with ethical employment principles.

Review of Actions and Continuous Improvement

We conduct annual reviews of our modern slavery risk management practices, including actions and learnings from supplier assessments and audit processes. These reviews inform our continuous improvement approach and are overseen by senior management.

Human Rights Policy

Board-endorsed Human Rights Policy, aligned to the UN Guiding Principles and ILO core conventions, applies across our operations and supply chain and embeds risk-based due diligence, worker-voice/grievance channels, and annual review.

Corrective Action Plans

Where risks or non-compliance are identified, we co-design time-bound Corrective Action Plans with suppliers, verify closure, and deliver worker-centred remediation (e.g. repayment of recruitment fees/back-pay), escalating to suspension or termination if unresolved.

Responsible Purchasing Policy

We make purchasing decisions that prioritise fair labour, ethical sourcing, and sustainable production. By setting realistic lead times, honouring payment terms, and collaborating with suppliers, we help prevent excessive overtime and unsafe conditions while supporting continual improvement and shared accountability across our supply chain.

Governance and Oversight

Governance and strategic oversight of our supply chain and modern slavery risk management sits with the Chief Executive Officer (CEO) and our Board Representative. This is operationally supported by the Head of Supply Chain and the Sustainability & Impact Manager. These roles are responsible for setting policy, overseeing implementation, and reporting to the Board of Directors on key risks, actions, and progress across Modern Slavery Management. Relevant roles also report to the board of directors on other environmental social and governance matters.

Currently, modern slavery and supply chain management is considered within M.J. Bale’s broader management structures. This includes cross-functional collaboration between Supply Chain, Buying, Sustainability, Finance, and Retail Operations teams, ensuring that supplier engagement, risk assessments, and remediation processes are embedded across the business rather than confined to one department.

In addition to internal oversight, M.J. Bale engages with independent third-party social compliance auditors and tools such as SEDEX and SMETA audits, providing external validation of supplier conditions and practices.

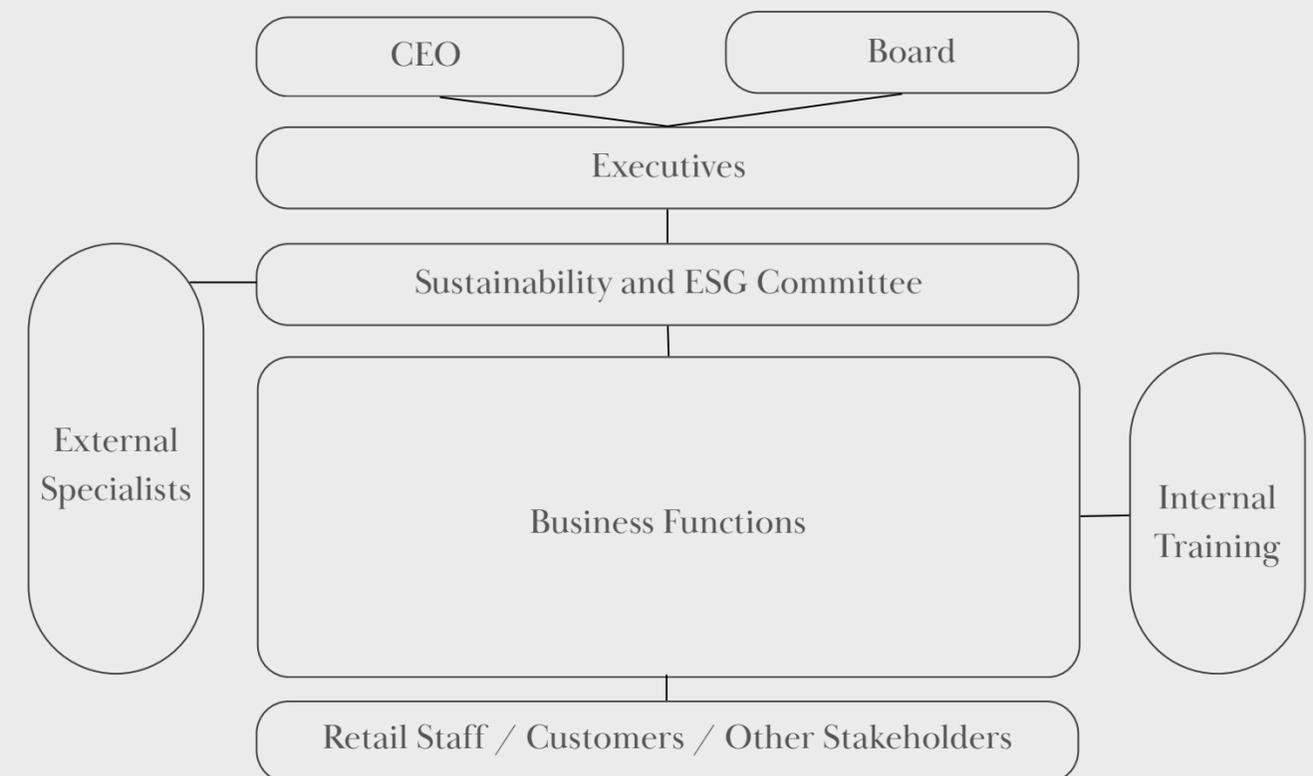
Future Governance Enhancements

As part of our ongoing commitment to transparency and continuous improvement, M.J. Bale is establishing a formal Sustainability Committee.

This governance enhancement will strengthen accountability across all levels of the business, embed modern slavery considerations into strategic decision-making, and ensure long-term progress against our commitments.

This committee will report directly to the executive team and will provide structured oversight of:

- Supply chain traceability and risk management
- Modern slavery due diligence and remediation processes
- Supplier Code of Conduct compliance and corrective action plans
- Justice and Equity Programs and Priorities
- Environmental Management
- Alignment with mandatory and volunteer ESG frameworks,
- Regular reporting to the Board and disclosure to stakeholders



Actions Addressing Risks

During FY25, M.J. Bale implemented specific actions to address modern slavery risks across its operations and supply chain. These actions focused on governance strengthening, supplier screening and engagement, audit based remediation, responsible purchasing, and internal capability building.

Site Visits

During FY25, senior leadership undertook in-person visits to key manufacturing partners to strengthen supplier relationships, improve visibility of working conditions, build relationship and support ongoing due diligence beyond third-party audits. Our CEO conducted six site visits in Italy and two site visits in India, and our Head of Supply Chain conducted six site visits in China and two site visits in Vietnam.

These visits complement our formal audit program and support deeper, relationship-based engagement with suppliers, reinforcing accountability and continuous improvement across our supply chain.

Supplier Screening

During 2024 and 2025, M.J. Bale implemented enhanced supplier screening processes for priority suppliers. These processes included tailored supplier questionnaires, and supporting guidance aligned to the Supplier Code of Conduct.

Supplier responses were reviewed to identify risk indicators. Where risks are identified, follow up engagement must be undertaken to clarify expectations and in some instances require corrective actions as a condition of continued engagement.

SEDEX onboarding and audit visibility

M.J. Bale onboarded to the SEDEX platform in 2024 and continues to utilise the tool during FY25 to support supply chain risk oversight. Priority suppliers were onboarded to the platform, increasing visibility of audit coverage, risk flags, and audit renewal cycles.

By the end of FY25, the majority of Tier 1 manufacturing sites were visible on SEDEX. Available audit data was reviewed to assess risk exposure and inform targeted supplier follow up and remediation actions.

Supplier engagement and corrective actions

M.J. Bale maintains its requirement for significant suppliers to undergo third party social compliance audits on a two year cycle. Audit reports were reviewed to identify non-conformances and prioritise remediation.

Non-conformances identified during FY25 primarily related to worker health and safety, including PPE, fire safety, accommodation standards, recordkeeping, and working hours. In alignment with our policy review, suppliers are now required to submit corrective action plans with defined timelines.

By the end of FY25, audit reviews had been completed for priority suppliers and follow up tracking was in place to assess progress into the new year. Remediation tracking has been strengthened through formalised follow up processes, regular supplier check ins, and the introduction of six monthly internal reviews.

Actions Addressing Risks

Responsible purchasing practices

Responsible purchasing practices and policies were applied as a risk mitigation measure within sourcing decisions. M.J. Bale forecasted 50 percent of cotton used across the supply chain was sourced going to be sourced through the Better Cotton Initiative using their Mass Balance System, This system is designed to improve labour and environmental practices at farm level and M.J. Bale exceeded the forecast this year.

M.J. Bale applied due diligence measures to address risks associated with forced labour, including ongoing assessment of sourcing regions and supplier disclosures.

Internal training and capability building

During the 2025 calendar year, relevant team members will complete training to strengthen capability to identify modern slavery risks, engage suppliers on remediation, and apply responsible sourcing practices. This training supports more consistent risk identification, follow up, and documentation across the business.

Use of third party audits and standards

M.J. Bale used recognised third party social compliance standards, including SMETA, BSCI, and others, to assess labour practices, health and safety, and ethical conduct within priority suppliers.

Audit findings were reviewed alongside internal assessments and supplier engagement activities. M.J. Bale recognises that audits provide point in time information and therefore supplemented audit results with ongoing engagement and remediation tracking.



Actions Addressing Risks

Actions we have taken in FY25 as a business to address modern slavery risks across both our operations and supply chain are summarised below.

<p style="text-align: center;">DUE DILIGENCE Alignment to global standard best practice</p>	<ul style="list-style-type: none"> • 100 percent of our ongoing Tier 1 significant suppliers are covered by our Code of Conduct or an equivalent standard. • 100 percent of the ongoing Tier 2 significant suppliers that we have visibility of, are also directly engaged with our Code of Conduct or an equivalent standard. • Internal grievance mechanisms resolved 6 staff grievances where the documented mechanisms were the key to successful outcomes. • We continue to review third-party ethical audits and have maintained a practice of conducting SMETA audits every two years for our top suppliers. • We had a significant governance uplift this year, embedding multiple new policies to expand our scope, guide our decision-making and implement best practice operations, inline with our risk assessments. • Much of this uplift is forming the baseline for KPI implementation and improvements
<p style="text-align: center;">PROVENANCE Knowledge on origins and journey of our garments</p>	<ul style="list-style-type: none"> • We have continued to map our supply chain beyond Tier 1, expanding visibility into Tier 2 and 3 to identify risk areas and inform upstream engagement strategies. • In line with our commitment to greater transparency, we are now including our key trims and accessories suppliers in our Modern Slavery reporting. We continue to become more vertically integrated in our supply chain, engaging more Tier 2 and 3 suppliers directly. • We continue to engage suppliers in tracing our product and reinstated the supplier self assessment
<p style="text-align: center;">COLLABORATION Continuous review and ongoing improvement of our practices</p>	<ul style="list-style-type: none"> • We recognise the importance of equipping our senior management, design, and production teams with the tools to identify and mitigate modern slavery risks, we sought to engage an expert partner to deliver this training which took place by the end of 2025. • We proudly participate in the United Nations Global Compact however, participation in industry networks and working groups has been limited, and we are continuing to opportunities to re-engage.

Monitoring and Outcomes

M.J. Bale seeks to identify, assess, and address risks through ongoing monitoring, responsibility mechanisms, accessible grievance channels, and continuous improvement processes.

These mechanisms are designed to support prevention, early identification of risks, and remediation where issues are identified. They are reviewed periodically to ensure they remain appropriate to the nature, size, and complexity of our operations and supply chain.

Monitoring and Continuous Improvement

M.J. Bale uses recognised social compliance frameworks to assess labour practices, health and safety, and ethical conduct. These include SMETA, BSCI, and WRAP audits, as well as alignment with our Supplier Code of Conduct, which is increasingly being applied across all tiers of the supply chain.

Audits are conducted at least once every two years. During the reporting period, 88 percent of Tier 1 significant facilities met this audit coverage expectation. Audits were completed at 21 of our ongoing top 30 facilities, representing approximately 70 percent coverage of priority facilities.

M.J. Bale reviews all audit reports and certifications shared with us and works collaboratively with suppliers to address findings and track remediation. Audit findings are reviewed by M.J. Bale and categorised as minor, major, or critical. Where non compliances are identified, suppliers are required to implement Corrective Action Plans within agreed timeframes.

Monitoring Outcomes

Progress against corrective actions is monitored through documentation review, follow up audits, and supplier engagement, as appropriate. These activities support our commitment to progressively strengthen practices and outcomes across our supply chain.

- In FY25, 86 percent of our Tier 1 significant facilities have current audits
- 0 Critical Audit findings were reported, alongside 35 Major and 28 Minor Findings
- Corrective Action Plans were issued to 17 suppliers in response to identified non compliances.
- During the reporting period, 17 individual non compliances were confirmed as closed based on corrective action updates received.

At year end, remediation activities were ongoing across 12 facilities. Closure rates reflect corrective action updates received to date, following the introduction of enhanced tracking systems during the reporting period.

Category	% of Findings
Overtime	32.80%
Wages (living wage gaps)	18.80%
Fire safety	14.10%
Machinery and electrical safety	17.20%
OHS systems and training	12.50%

Traceability forms a core part of our approach to identifying and managing modern slavery risks. M.J. Bale undertakes supply chain mapping and traceability activities to improve visibility across raw material sourcing, fabric production, and garment manufacturing.

At present, these activities are largely desktop based and rely on supplier disclosures, audit reports, certification documentation, and third party verification. We are reviewing our traceability processes to strengthen consistency, depth, and integration with our broader human rights due diligence framework over time.

Monitoring and Outcomes

Grievance Mechanisms

In accordance with our updated Grievance Policy, M.J. Bale will maintain a grievance mechanism that enables workers within our supply chain to confidentially raise concerns directly with the company. To improve accessibility, M.J. Bale will expand its grievance channels to include a dedicated email address, enabling any stakeholder to raise a concern.

The grievance mechanism is intended to support access to remedy, protect confidentiality, and prohibit retaliation against individuals who raise concerns in good faith. Suppliers are required, under our Supplier Code of Conduct, to display the Grievance Notice in prominent and accessible worker locations. The presence of grievance notices is checked by third party auditors and during M.J. Bale supplier visits, where applicable.

As within the reporting period, no modern slavery grievances have been received. M.J. Bale acknowledges that the absence of reported grievances does not necessarily indicate the absence of risk. It is also noted that internal grievance mechanisms resolved 6 staff grievances where the documented mechanisms were the key to successful outcomes. Strengthening worker awareness, trust, and engagement with grievance mechanisms remains an area of ongoing focus, consistent with our commitment to continuous improvement.

Despite not directly receiving any grievances from our supply chain, we also monitor credible external reports and public disclosures relating to labour rights risks within our broader supply base.

In FY25, we became aware of public reporting concerning labour exploitation allegations involving a supplier with whom we have a limited commercial relationship. While M.J. Bale was not directly notified of the incident and it did not relate to production for M.J. Bale, we reviewed publicly available information and the supplier's disclosed remediation actions.

Given the limited scale of engagement, no immediate corrective action was required. The supplier has publicly stated that the issue related to unauthorised subcontracting and that relationships with the implicated facilities were terminated.

This incident reinforced the importance of ongoing due diligence and strengthened monitoring of subcontracting risks, informing our continued focus on enhanced audit coverage, corrective action tracking, and supplier engagement.

Raw Material Providers

M.J. Bale seeks to reduce upstream risk by prioritising responsible material sourcing. We utilise recognised third party standards and certification schemes to support traceability, responsible practices, and oversight at the raw material level.

These include, where applicable:

- Woolmark, and the Responsible Wool Standard supporting animal welfare, land management, and traceable wool sourcing
- Better Cotton Initiative cotton sourced through a mass balance system, addressing environmental and social criteria at the farming level
- Masters of FLAX FIBRE, verifying fibre grown and processed in Western Europe under defined environmental standards
- Global Organic Textile Standard certified fibres, covering organic integrity from harvesting through manufacturing

While certifications do not eliminate risk, they form part of our broader risk identification and mitigation approach.

We remain alert to the ongoing risk of Uyghur forced labour and are committed to working only with partners who uphold ethical sourcing and traceable, responsible fibre use.

Assessing the Effectiveness of Actions

In line with the UN guiding principles, we strive to ensure that our actions are effective in addressing modern slavery risks that our business may contribute to or are directly linked to. We continually assess the effectiveness of our actions by tracking them against key performance indicators across our 3 approaches: diligence, Provenance and Collaboration. Some of these KPIs include monitoring outcomes, grievance cases reported and remediated, suppliers who have agreed to our supplier code of conduct and regulate internal review of our governance practices. We will continue to review and develop these KPIs and improve how we address modern slavery risks over the following reporting period.

FY25 Actions

- Continue to expand supply chain mapping to include Tier 3 suppliers and indirect sourcing relationships, prioritising high-risk geographies and product categories
- Strengthened supplier engagement by reinstating quarterly resourcing and surveying of suppliers to keep engagement high and self reporting ongoing.
- Enhanced the supplier self-assessment and due diligence tool aligned to the UN Guiding Principles
- Team attended circularity training to further understand and enhance circularity of our garments, developed trial product
- Updated the Supplier Code of Conduct to reflect emerging risks, including forced labour in digital supply chains and climate-related displacement
- Strengthen corrective action follow-up by requiring time-bound remediation plans and progress reporting following audit findings
- Executed opportunities for industry collaboration, including joining seamless
- Conduct a review of internal policies and grievance mechanisms to ensure alignment with worker voice best practice, including anonymous feedback channels for offshore suppliers

Continual Improvement

M.J. Bale is dedicated to the continual improvement of our practices, as well as full transparency in our efforts to address the issue of modern slavery.

We are committed to enhancing our operations to provide our customers and community with the assurance that we are addressing and mitigating any risks of modern slavery. Our unwavering dedication to this cause is reflected in our company's value of 'integrity' and our core belief in the importance of ethical business practices. As a part of this commitment, we have outlined specific areas we wish to further improve across our operations and supply chain over the coming period:



FY26 Key Focuses

- Establish key performance indicators (KPIs) to track improvements in supplier performance, engagement, and transparency year-on-year
- Launch modern slavery training for leadership, design, production, and sourcing teams, co-designed with external experts
- Enhance the supplier self-assessment and due diligence tool aligned to the UN Guiding Principles
- Strengthen supplier engagement by introducing onboarding briefings and annual check-ins to support understanding of the Supplier Code of Conduct
- Moving from implementation to verification by enhancing our worker voice elevation
- Continue mapping and tracing our supply chain to our goals
- Further strengthen our grievance and remediation protocols
- Ensure Robust Implementation of the FY25 policy updates.
- Implement the remediation of key risks, and further understand our limitations.
- Build an enhanced and more structured onboarding for product suppliers across all tiers
- Looking forward, we are looking to more thoroughly integrate Uyghur Forced Labour risk considerations into future assessments.
- Continue to reduce climate impact through our supply chain while enabling a just transition, minimizing Modern slavery risks

Appendix

	Mandatory Criteria	Relevant Page in Statement
One	Identify the reporting entity	Page 3
Two	Describe the reporting entity's structure, operations and supply chains	Page 5-9
Three	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Page 11-15
Four	Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Page 15 - 22
Five	Describe how the reporting entity assesses the effectiveness of these actions	Page 21-24
Six	Describe the process of consultation with any entities the reporting entity owns or controls	Page 3
Seven	Provide any other relevant information	Page 10, 26-27



Appendix

1. Guiding Principles

The following principles govern the calculation of traceability scores to ensure the metric reflects financial exposure and physical reality rather than theoretical visibility.

A. Spend-Weighted Visibility (Materiality)

Traceability is measured by Financial Value (\$)

Rationale: A weighted approach ensures that high-value categories (e.g., Suiting) have a proportional impact on the score compared to low-cost accessories. A score of "50%" indicates that 50 cents of every dollar spent can be physically traced.

B. Physical vs. Certified Traceability

For a product to be classified as "Traced" at Tier 3 (Growers), the data must identify a specific physical region, farm group, or estate (e.g., "Kingston Farm,")

Exclusion: "Mass Balance" certifications (e.g., standard BCI Cotton) are excluded from the physical traceability score. While these programs verify sustainable practices, they do not track the physical flow of raw material to a specific origin coordinates.

C. The "Inherited Visibility" Logic

Traceability is assessed as a chain. If a product is verified at Tier 3 (Grower) via a nominated, closed-loop supply chain (e.g., The New England Wool Program), we assume verification of the intermediate Tier 2 (Weaver).

Rationale: It is impossible to source verified single-origin wool without utilising a nominated scouring, spinning, and weaving network.

2. Key Data Assumptions

To bridge data gaps in mixed-manufacturing facilities, the following assumptions were applied to the financial data.

Assumption I: The "85% Rule" (Mixed-Use Manufacturers)

Some suppliers manufacture both the "Traced Wool" collection (Suiting) and "Untraced" casual categories (Velvet, Cotton, Linen jackets).

Application: Based on a product mix analysis, 85% of the total invoice value with these two suppliers is attributed to the Traced Wool Program.

Impact: This portion is classified as Traced at Tiers 1, 2, and 3.

Exclusion: The remaining 15% is treated as Untraced at Tiers 2 and 3 to account for cotton/linen blends where farm origin is unknown.

Assumption II: Direct Mill Payments (Tier 2 Cap)

Where the business pays a Fabric Mill directly, Tier 2 (Weaver) visibility is confirmed by the financial transaction.

Application: These payments contribute positively to the Tier 2 Score.

Limitation: Unless a specific "Farm Certificate" is attached to the invoice, these payments do not contribute to the Tier 3 Score.

Assumption III: Full-Service Vendors

For suppliers providing a "Full Service" package where no specific fabric mill is nominated in the ledger:

Application: Spend is classified as Tier 1 (Maker) Only.

Impact: The raw material and fabric production for these goods are treated as "Unknown/Open Market" sourcing.

Assumption IV: Significant Suppliers

Two Tier 2 suppliers have been included within our top 30 significant suppliers despite incomplete direct spend data. These suppliers aggregated indirect spend and operational importance would be significant if fully visible. Their inclusion reflects a risk informed approach to upstream supplier identification.