PUBLIC DISCLOSURE STATEMENT

M.J. BALE
(NEWBALE CLOTHING PTY LTD)

PRODUCT CERTIFICATION
FY2022 (PROJECTED)

Australian Government

Climate Active
Public Disclosure Statement

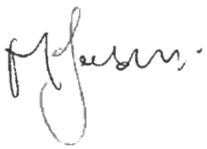
An Australian Government Initiative

NAME OF CERTIFIED ENTITY: M.J. Bale (Newbale Clothing Pty Ltd)

REPORTING PERIOD: 1 July 2021 – 30 June 2022 (projected)

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.

Signature  Date: 14/10/2021

Name of Signatory: Matthew Jensen

Position of Signatory: M.J. Bale CEO & Founder

Australian Government
Department of Industry, Science, Energy and Resources

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Version number February 2021

1. CARBON NEUTRAL INFORMATION

Description of certification

The product certification includes all M.J. Bale products sold in the 2022 financial year whether they are purchased in M.J. Bale stores, outlets, department stores or online. Products include suits, shirts, casuals and accessories. A separate carbon neutral organisation certification includes the organisation activities.

The scope of the product certification is from cradle-to-sale plus disposal[1] which includes: raw fibre/material production, fabric manufacturing, garment sewing, packaging, all logistics, retail, delivery to customer, and disposal of waste and products at the end-of-life. Product care/use phase of the life cycle (e.g., dry-cleaning, washing, drying, ironing, pressing) has been excluded as these activities occur post-purchase and depend on customer preference.

The functional unit is "kilograms of CO_2-e per average item" for each of four product groups:

- Suits (e.g., jackets, trousers, waistcoats)
- Shirts (e.g., business and casual)
- Casuals (e.g., chinos, knitwear, shorts, outerwear, polo, swimwear, t-shirts, jeans)
- Accessories (e.g., ties, bow ties, socks, belts, pocket squares, bags/wallets, cufflinks/clips/stays/studs, scarves, balls and towels).

"In my mind, investing in the environment is investing in our collective future – we don't consider it optional."

Matt Jensen
M.J. Bale Founder & CEO

Organisation description

Founded by Matt Jensen in 2009, M.J. Bale is an Australian-owned gentlemen's clothier producing 'garments of integrity for men of character'. A vertically-integrated tailoring expert with over 50 retail locations throughout Australia, the company creates total wardrobe solutions for men, from business and formalwear to casuals, footwear and accessories.

M.J. Bale has pioneered the 'single-source' concept of natural fibre production, working with custodial, conservation-led Australian woolgrowers to create a sustainable fibre that returns biological value to the natural environment via a store-to-farm customer rebate scheme. In 2021 the brand, along with partner woolgrower Kingston farm and seaweed producer Sea Forest (both in Tasmania), instigated the world-first commercial farm trial to produce zero-emission/carbon neutral wool.

M.J. Bale is the Official Tailor to the Australian Test cricket team, Australian rugby union team (Wallabies) and dresses the Queensland and New South Wales State of Origin teams in their official off-field uniforms, as well as numerous professional AFL, rugby union and rugby league teams.

[1] Cradle-to-gate plus end-of-life

Product process diagram

The following product process diagram is for cradle-to-sale plus end-of-life and excludes product care.

Upstream emissions

Production

- Sourcing of raw fibres (wool, cotton, linen, silk, nylon, leather, silver)
- Fabric production (spinning, weaving, treatment, dying, finishing)
- Sewing (cutting, disposal of offcut waste, sewing, ironing/pressing)
- Packaging (all packaging: plastic, cardboard, paper, metal, cotton)
- Logistics (road, air and sea freight throughout the supply chain including distribution to retail)

Responsible entity

Retail

- M.J. Bale stores, outlets, department stores, online sales
- Energy (electricity, gas, diesel for tenancy and base buildings)
- Disposal of all packaging
- Delivery of online sales

Downstream emissions

End-of-life

- Disposal of products

Excluded emission sources

- Product care / use phase of the life cycle (e.g., dry-cleaning, washing, drying, ironing, pressing).

2. EMISSION BOUNDARY

Diagram of the certification boundary

The following diagram of the certification boundary depicts the quantified sources, non-quantified sources, excluded sources and non-attributable sources. Please refer back to the product process diagram for further details.

Quantified

Sources were quantified for each of the life cycle stages:

- *Raw fibres/materials*
- *Fabric/material production*
- *Sewing/production*
- *Packaging*
- *Logistics*
- *Retail*
- *Disposal of products*

Sources include:

- *Electricity*
- *Gas*
- *Fuels*
- *Materials*
- *Wastes*

Non-quantified

None

Excluded

Product care / use phase of the life cycle (e.g. energy, water and chemicals used for dry-cleaning, washing, drying ironing, pressing).

Non-attributable

M.J. Bale Organisation (included as a separate organisation certification)

Attributable non-quantified sources

All relevant emission sources were quantified and included in the product carbon account so there are no attributable non-quantified sources.

Data management plan

All relevant emission sources were included in the carbon footprint assessment; however, additional details will be collected for future assessment periods to enable greater resolution. This forms part of the M.J. Bale culture of continuous improvement.

Excluded sources (within certification boundary)

Product care/use phase of the life cycle (e.g., dry-cleaning, washing, drying, ironing, pressing) has been excluded as these activities occur post-purchase[2] and depend on customer preference.

All other emission sources within the certification boundary have been included in the carbon account.

"The journey to becoming carbon neutral is a step-by-step process but it's a long-term commitment to accountability and continuous improvement."

Matt Jensen
M.J. Bale Founder & CEO

Non attributable sources (outside certification boundary)

The emission sources that are outside of the product certification boundary are listed below:

- Organisation: the carbon footprint of the M.J. Bale head office (Newbale Clothing Pty Ltd) is registered with Climate Active under a separate Organisation certification – please refer to the separate PDS for further details.

[2] The product use phase is outside of the cradle-to-gate boundary. Product disposal at end-of-life has been included as part of the M.J. Bale product stewardship program.

3. EMISSIONS SUMMARY

Emissions reduction strategy

M.J. Bale is committed to environmental sustainability and ongoing improvement throughout our entire supply chain, including:

- Increasing the production of zero-emission/carbon neutral wool in collaboration with partners, Kingston farm (Tasmania) and seaweed producer Sea Forest (Tasmania), to reduce livestock emissions at the fibre production stage of the garment supply chain
- Investing in and working with innovative tech companies to replace synthetics and hard plastics with materials grown from marine algae that sequester carbon throughout the growth phase
- Switching to ethically-produced, sustainably-sourced natural fibres, such as Good Earth Cotton and BCI cotton, that reduce emissions and are vertically verified with fibre trace technology
- Aiming to convert retail stores and head office to 100% renewable energy
- Working with suppliers across our vertical supply chain to improve their practices and reporting; encourage and motivate suppliers to adopt more environmentally sustainable alternatives
- Reducing the emissions from freight (e.g., short-haul flights), switching where possible to sea freight when transporting fabrics and products; exploring the potential to use rail transport instead of trucks for Australian deliveries
- Moving towards becoming a ‘zero waste’ company, recycling all paper and fabrics and upgrading our garment recycling program to include not just Moving The Needle charity, but physical/online M.J. Bale ‘vintage/pre-loved’ stores

We are deeply committed to ongoing efforts that reduce our carbon emissions and environmental footprint. We are only at the beginning of our ‘learning to learn’ stage and realise that true environmental sustainability is an infinite journey. In the next two years we will develop a detailed emissions reduction strategy with committed timeframes and measurable targets.

Functional units

The number of functional units sold during the reporting period is considered to be confidential sales data and therefore has not been reported. Emissions per functional unit and share of life cycle emissions plus total product carbon footprint have been reported in the report sections below.

Emissions summary (inventory)

The following table summarises the emissions sources for each product group over the life cycle from cradle-to-sale plus end of life (excluding product care). The percentage share of emission sources for each life cycle stage and the total emissions per functional unit (kg CO_2-e/item) are included. Confidential sales

data has been excluded from the table.

The electricity consumption of the retail outlets has been calculated using the market-based approach.

Table 3 Emissions summary for each product group

Emission source category	Suits tonnes CO_2-e	Shirts tonnes CO_2-e	Casuals tonnes CO_2-e	Accessories tonnes CO_2-e
Raw fibres/materials	*35%*	*6%*	*20%*	*58%*
Fabric/material production	*21%*	*53%*	*27%*	*15%*
Sewing/production	*9%*	*6%*	*11%*	*5%*
Packaging	*2%*	*2%*	*1%*	*1%*
Logistics	*15%*	*15%*	*19%*	*10%*
Retail	*16%*	*16%*	*19%*	*10%*
Disposal of products	*3%*	*3%*	*4%*	*2%*
1. Total inventory emissions	*10,399 t CO_2-e*			
a. Number of functional units represented by the inventory emissions	*Confidential*			
2. Emissions per functional unit (based on the number of functional units represented by the inventory) Total tCO2-e divided by the number of functional units in 1a.	*35.2 kg CO_2-e/item*	*16.8 kg CO_2-e/item*	*24.0 kg CO_2-e/item*	*6.9 kg CO_2-e/item*
3. Carbon footprint (Emissions per functional unit (2) number of functional units (a or b from table 2))*	*10,399 t CO_2-e*			

Uplift factors

No uplift factors were required for this assessment.

Carbon neutral products

No Climate Active carbon neutral products were purchased during the reporting period.

4. CARBON OFFSETS

Offsets strategy

Offset purchasing strategy: Forward purchasing	
1. Total offsets previously forward purchased and banked for this report	0
2. Total emissions liability to offset for this report	10,399
3. Net offset balance for this reporting period	10,399
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	10,399

M.J. Bale has purchased and retired our offsets for the first half of FY2022. In agreement with Climate Active, we will purchase and retire the remaining 50% of our offsets by January 2022. This enables us to ensure that we are operating our business sustainably, whilst also displaying our commitment to being a 100% Carbon Neutral organisation.

Co-benefits

M.J. Bale's offset portfolio has the following co-benefit aspects:

Yarra Yarra Biodiversity Corridor

- **Environmental Benefits:** In the process of restoring 13,500 hectares to the northern wheatbelt of Southwestern Australia, over 30 million mixed native species trees and shrubs have been planted in the Yarra Yarra Biodiversity Corridor since 2008. The project's long-term objective is to not just reverse land degradation, but connect the newly revegetated areas with the remaining vegetation and 12 nature reserves to create a 'green' corridor. This will assist the restoration of ecosystems and preserve the habitats of threatened flora and fauna. It will help fight climate change, absorbing carbon while also cleaning and cooling the air, sustain river flows, stabilise soils and recycle nutrients for agriculture

The Yarra Yarra project meets the following criteria as part of the United Nation's Sustainable Development Goals:

- **Good Health and Well-Being:** The Yarra Yarra project contributes to the positive mental health and well-being of the Indigenous communities who work to revitalise their traditional lands

- **Decent Work and Economic Growth:** More than 400 jobs are created through the project, including over 50 roles for the Indigenous and over 80 businesses engaged
- **Quality Education:** The project provides job-specific training sessions and inductions for local employees, who can use these skills to pass on knowledge to workers in other revegetation projects across Australia
- **Clean Water and Sanitisation:** Salinity is lowered in both ground and surface water over the life of the project

  Climate Action: At least 967,695 tonnes of CO2-e will be sequestered during the project's lifetime.
- **Life on Land:** The biodiverse plantings of native trees and shrubs encompasses over 30 species of conservation significance
- **Partnerships for the Goals:** 11 local and national organisations have been formed from the project

Chakala Wind-Based Power Generation Project, India

- **Environmental Benefits**: Replacing the need for diesel generators, the Chakala Wind-Based Power Generation Project has 26 machines that generate power using wind energy, a renewable energy source. The project is a clean technology investment in the region, while also helping to reduce the demand-supply gap in the state. The project will generate power using zero emissions wind-based power generation which helps to reduce GHG emissions and specific pollutants like SOx, NOx, and SPM associated with the conventional thermal power generation facilities
- **Economic Benefits:** The project helps in generating employment opportunities during the construction and operation phases. The project activity will lead to development in infrastructure in the region such as development of roads and may promote business with improved power generation. Additionally, the successful operation of the project activity should lead to promotion of wind-based power generation and would encourage other entrepreneurs to participate in similar projects
- **Social and Cultural Benefits:** Project developers use at a minimum 2% of the revenues accrued from the sale of carbon credits on an annual basis for community-related activities. These include providing assistance for development of public amenities in the surrounding areas such as water distribution/sanitation facilities/building of schools and hospitals and free distribution of educational books and school uniforms, as well as annual eye camps health checks for villagers

Hebei Yuxian Second-Phase 49.5MW Wind Power Project, China

- **Environmental Benefits:** The Hebei Yuxian Wind Power Project is a large-scale wind farm conceived to convert wind energy into electricity. The project displaces electricity that would be provided to the grid by more greenhouse gas-intensive means, such as electricity generated by the burning of fossil fuels by the North China Grid (NPCG). The installed capacity of the project activity is 49.5MW, consisting of 33 sets of wind turbines with a capacity of 1500kW. The average annual power delivered to the national grid is approx. 112,000 MWh. To date the project has achieved net greenhouse gas emission reductions of 635,607 tonnes CO2-e. There is no consumption of fossil fuels used in the generation of Hebei's wind power and thus no greenhouse gas emissions.

Offsets summary

Proof of cancellation of offset units

Offsets cancelled for Climate Active Carbon Neutral Certification										
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible Quantity (tCO2e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percent of total (%)
Yarra Yarra Biodiversity Corridor biodiverse reforestation carbon offsets[3], WA stapled to CN-1966 Sichuan Miyaluo Small scale run-of-river hydroelectric Station	CDM-CER	ANREU	13/10/2021	12PWA235302B - 12PWA235502B 1,095,378,751 - 1,095,380,767	CP-2 (2013-2016)	1768	0	0	1768	34%
Hebei Yuxian Second Phase 49.5MW Wind Power Project, China	VCU	VERRA	13/10/2021	8097-455240161-455242117-VCU-034-APX-CN-1-814-01012016-31122016-0 https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=142429	2016	1716	0	0	1716	33%
Chakala Wind Power Project in Maharashtra, India	VCU	VERRA	13/10/2021	7068-368155143-368157099-VCU-034-APX-IN-1-1197-01012016-31122016-0 https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=146576	2016	1716	0	0	1716	33%
Total offsets retired this report and used in this report									5200	100%
Total offsets retired this report and banked for future reports									0	0%

[3] Yarra Yarra Biodiversity Corridor BRCOs are not eligible under Climate Active so have been stapled with an equivalent amount of eligible units.

Type of offset units	Quantity (used for this reporting period claim)	Percentage of Total
Certified Emissions Reductions (CERs)	1768	34%
Verified Carbon Units (VCUs)	3432	66%

M.J. Bale has purchased and retired our offsets for the first half of FY2022. In agreement with Climate Active, we will purchase and retire the remaining 50% of our offsets by January 2022. This enables us to ensure that we are operating our business sustainably, whilst also displaying our commitment to being a 100% Carbon Neutral organisation.

5. USE OF TRADE MARK

Table 7

Description where trademark used	Logo type
Website	Certified Product and Organisation
Social media	Certified Product and Organisation
Product packaging (e.g. customer care card, garment swing tags)	Certified Product
Instore materials (e.g. posters, cards, displays)	Certified Product and Organisation

6. ADDITIONAL INFORMATION

M.J. Bale Infinity

M.J. Bale Infinity is our brand's environmental sustainability program, created in 2020 at the conclusion of our initial carbon footprint scoping study, which examined the footprint of an M.J. Bale two-piece woollen suit. https://www.mjbale.com/blogs/manual/m-j-bale-infinity-progressing-to-carbon-neutral

We chose Infinity as the name because we see the journey to true environmental sustainability as an infinite, looping, never-ending quest. As a tailor that relies on specialists in Italy (weaving) and Asia (Japan & China), we recognise that every action we take to create a single garment has an adverse reaction on the environment.

We wish to convey this to Climate Active because we realise we are just at the very beginning of the journey. We are pleased to be in this position to apply for Climate Active accreditation, but we see ourselves as at the very bottom of the sustainability ladder. However, it is a ladder we are passionate about climbing.

Here are a few of the projects we have been working on with our partners over the last few years, that have helped inspire us to keep going.

M.J. Bale Single-Source Suits // Kingston Biodiversity Preservation

We have been working with Kingston farm in the northern Midlands of Tasmania as a 'single-source' wool partner for our suits since 2015. ('Single-source' indicates that 100% of the wool used in these suits comes directly from Kingston farm.)

The Tasmania government considers Kingston to be “a place of national significance.” It is home to vast tracts of Indigenous grasslands and threatened flora and fauna, including breeding wedge-tailed eagles, Eastern and Spotted-tailed quolls, bettongs, Tasmanian Devils and Green and Gold frogs.

What makes Kingston even more unique is that it is a privately-owned superfine wool growing enterprise – one of the best in the world in terms of fleece quality. The farm is run by conservationist 4th-generation farmer, Simon Cameron, whose main objective is to leave Kingston a better place than when he found it.

In 2020 Kingston was independently assessed as a carbon positive enterprise. The Natural Capital Management report into Kingston was commissioned by the Australian Wool Innovation (AWI) as one of a series of case studies on the natural capital of commercial wool growing properties.

Since 2017, when our ‘single-source’ suits first came to market, M.J. Bale has operated a Kingston store-to-farm customer rebate scheme, where a percentage of every M.J. Bale Kingston single-source garment (suits, tuxedoes, jackets, ties) has been returned to Kingston farm (approx. 150k to date). This rebate has been reinvested by Simon Cameron into on-farm projects that enhance the local biodiversity and natural values. The projects include tree and native shrub revegetation and river soil erosion mitigation.

Simon conservationist work was buoyed in December 2020 when a volunteer from Bush Heritage found a very rare orchid called a Midlands Green hood at Kingston. Historically, the Midlands Green Hood has only been found in three other places in Tasmania. From December 2020 to date we’re pleased to say Simon and volunteers have found a total of 20 of the orchids on Kingston land, the largest recording sighting for over two decades.

Carbon Neutral / Zero-Emission Wool

In 2021 M.J. Bale finished a world-first commercial farm trial to produce carbon neutral / zero-emission wool at Kingston farm. 48 free-grazing Merino sheep were involved in the 300-day trial. The sheep were fed asparagopsis seaweed produced by Sea Forest Australia as 0.2% of their daily diet. UTAS (University of Tasmania) provided trial monitoring (animal welfare) and data analysis (fibre analysis), of which we expect to receive the results by October 2021.

Enteric fermentation from ruminant livestock contributes approximately 14% of total greenhouse-gas emissions across Australia. Along with Sea Forest, we used CSIRO’s pioneering research into the use of native asparagopsis seaweed as a food supplement to disrupt sheep enteric fermentation.

Overall, our objective with this project is to demonstrate the commercial feasibility of producing Merino wool with close to zero methane emissions, and inspire the wool industry to follow our lead to lower on-farm livestock emissions.

As of October 2021, sustainable Italian weaver Vitale Barberis Canonico has agreed to collaborate with M.J. Bale to produce cloth from our carbon neutral / zero-emission wool, giving the project commercial credibility. In October 2021 we will begin to feed up to 500 Kingston sheep asparagopsis seaweed daily, which will return approx. 1.7 tonnes of Merino fleece for weaving. Our attention now turns to how can we get this zero-emission Kingston wool transported to Italy to be made into cloth, then the cloth transported to Japan and China to be made into suits and blazers, with as close to zero emissions as possible.

https://www.mjbale.com/blogs/manual/m-j-bale-carbon-neutral-wool-project

M.J. Bale x Moving the Needle

In 2020 M.J. Bale began a partnership with Moving the Needle, an entity that includes charities such as Australian Red Cross, Salvos Stores and Vinnies. The M.J. Bale x Moving the Needle program allows customers to trade in their quality pre-loved suits (from any brand) at an M.J. Bale store and receive $200 towards the purchase of a new suit in store.

Moving the Needle organises for the donated suits to be picked up by a charity partner for reuse through their sales and recycling streams to help those in need.

By working with Moving the Needle, M.J. Bale is hoping to help the community while also raising awareness of the problem of waste in fashion. Moving the Needle’s aim is to increase textile diversion from landfill by 20% in 2022. With Australians throwing away 6000 kgs of fashion and textile waste every ten minutes and with 85% of the textiles Australians buy over a year ending up in landfill, M.J. Bale is seeking

to combat waste by encouraging everyday customers to donate their clothes to charity. 96% of clothing donated to charities are reused through sales and recycling streams.

To date, M.J. Bale has provided more than 300kg of pre-loved clothing to Moving the Needle.

APPENDIX 1

Non-attributable emissions for products and services

To be deemed attributable an emission must meet two of the five relevance criteria. Non-attributable emissions are detailed below against each of the five criteria.

Table 8

Relevance test					
Non-attributable emission	*The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions*	*The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.*	*Key stakeholders deem the emissions from a particular source are relevant.*	*The responsible entity has the potential to influence the reduction of emissions from a particular source.*	*The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.*
Organisation carbon footprint	Not relevant for product certification	No	No	Yes	No

APPENDIX 2

Non-quantified emissions for products/services

Please advise which of the reasons applies to each of your non-quantified emissions. You may add rows if required.

Table 9

Non-quantification test				
Relevant-non-quantified emission sources	*Immaterial <1% for individual items and no more than 5% collectively*	*Quantification is not cost effective relative to the size of the emission but uplift applied.*	*Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.*	*Initial emissions non-quantified but repairs and replacements quantified*
None				

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