

SUSTAINABILITY MATTERS

SINCE OUR FIRST STORE OPENED ALMOST 150 YEARS AGO, CRAFTING GARMENTS WITH CARE HAS BEEN OUR HALLMARK — QUALITY MADE RESPONSIBLY.

Today, 'Made with Care' reaches well beyond those origins. It embraces every facet of our operation — from sourcing fabrics and supporting factory conditions, to reducing our environmental footprint and nurturing a supportive culture for our people.

Welcome to our sixth sustainability report — Made with Care, as ever.



**HALLENSTEIN
GLASSON**
Holdings
Limited



HALLENSTEINS



GLASSONS

OUR BRANDS

Glassons and Hallensteins, two names synonymous with high-quality affordable fashion, known and loved across New Zealand and Australia.

Both brands have their own rich family history, forged over 100 years ago by a 'can do' entrepreneurial spirit, hard work and a desire to clothe their communities well.

In 1985, these two iconic brands merged, and Hallenstein Glasson Holdings (HGHL) was formed. One company, with a shared integrity founded in family values.

Today, over 40 years later, that same authenticity, creativity and quality underpins both brands and thanks to our customers' loyal support, fuels our continued growth.

And grow we do. Glassons has 40 stores in Australia, 35 in New Zealand. Founded in 1918 in Christchurch, Glassons has remained a leader in womens fashion for over a century. With a family-led legacy and consistently ranked as a top fashion retailer across major shopping centres, the Brand continues to evolve while staying true to its commitment to high quality, affordable style.

Hallenstein with 41 stores in New Zealand and 5 in Australia is loved both sides of the Tasman, bridging the gap between timeless classics and contemporary apparel. From crisp linen shirts to streetwear that shapes culture. Whether that's tailored suits or distinctive casual wear.

Our brands are living testament that high-quality, comfort and fashion-forward design can be accessible to everyone.

OUR VISION IS GROUNDED ON A FIRM FOUNDATION OF INTEGRITY.

Every sustainability journey needs a framework to work to and measure progress against. Ours is based around three broad pillars (Product, Planet and People) and under those we have developed areas of focus with the important issues for us to address.

Materiality assessments help us understand what is most important to our stakeholders. The materiality results provide insights that feed into our framework. Our sustainability framework communicates our strategy to staff, customers and shareholders.

PILLARS	FOCUS AREA	GOAL	IMPORTANT ISSUES		
 PRODUCT	Sourcing Materials	Source materials that minimise the environmental impact.	Availability and traceability of sustainable raw materials		
	Product Stewardship	Support a considered transition from a linear to a circular model.	End of life		
	Ethical Factories	Partnering with supplier factories that uphold international labour rights.	Worker welfare		
 PLANET	Carbon Footprint	Provide meaningful change by reducing and offsetting our carbon footprint.	Reduction roadmap		
	Climate Change Preparation	Tackle climate change and build a globally climate resilient business.	Mitigate for future scenarios	Minimising risk to people, communities and property	
	Environmental Impact	Minimise the environmental impacts of our operations.	Reduce waste	Energy efficiency	Cruelty free fashion
 PEOPLE	Diverse Workforce	To create an inclusive workplace culture.	Diversity & Inclusion		
	Safe Working Environment	Deliver a workplace where employees feel secure.	Worker wellbeing		
	Career Development	Provide opportunity to further development of career aspirations and goals.	Investing in people	Training & Education	



PRODUCT DESIGN & LIFECYCLE: OUR PRODUCT FOCUS

The fashion industry's sustainable resource priorities are shaped by diverse forces, from consumer behavior to regulation. At HGHL, our focus on 'building in' sustainability continues; this includes sourcing responsibly, producing quality garments and offering end-of-life solutions for our products.

This is how we live our Made with Care philosophy. At the heart of our sustainability strategy are two factors; careful and ethical sourcing of materials and their design and manufacture. Choosing quality materials and manufacturing our garments in audited factories – means we conduct the supply-side of our business responsibly. Not only that, our products must also function well and look great. Textile certifications remain a cornerstone of our Made with Care commitment.

Our cottons, linen, denim, swim and polyester products remain certified and we will continue to grow the percentage of certified product across the brands.

SUSTAINABLE PRODUCT **24.35%**

Organic cotton	12.4%
Eco-linen	3.95%
Recycled	7.7%
Traceable wool	0.3%
Regular product	75.65%



FIBRE ARCHITECTURE

This is a guide to our fibre and fabrics architecture – what we prefer to use to make our garments. There are some practical requirements we take into account when making our choices. The fibres and fabrics need to be readily available, and – as customer preferences dictate – we invest in premium fabrics and fibres that last longer. This means we continually research different fibres and will often adjust our preferred choices, to always ensure our premium fibres have reduced impact on people, communities and the environment.

Premium fibres – preferred	Certified fibres	Do not use
Linen	Recycled Polyester	Angora
Cotton	Recycled Nylon	Silk
Wool	Recycled Cotton	Fur
Merino wool	Organic Cotton	Mohair
Alpaca	Eco Linen	Exotic skins
Cashmere	Eco Viscose	



* Hallenstein Glasson Holdings Limited is certified to the Organic Content Standard and Global Recycled Standard, which certifies and tracks organically grown cotton and recycled polyester from the source to final product. (Certified by) CU 1247703.



PLANET

Within our sustainability framework you'll see Carbon Footprint, Climate Change Preparation and Environmental Impact are our focus areas. We continue our efforts to address these priorities.



TOWARDS CLIMATE RESILIENCE

Climate action for HGHL has been steadily 'ramping up' over a number of years – and we've shared our reporting and results with you along the way. Over the last 24 months, we've stepped it up to another gear. Together with our environmental agency Tadpole, we have been laser-focussed on understanding where our carbon footprint is now, where we are headed, and our plans to reduce it in future.

This approach encompasses two things:

- i)** understanding and mitigating our contribution to climate change,
- ii)** building a climate resilient business. While we've been working on point one for a number of years, building resilience is a relatively new and exciting focus for HGHL.



You can read the full version on the Group website at hallensteinglasson.co.nz/climate-related-disclosures.
Our FY25 Climate Related Disclosures will be available by the end of November.

SUPPLY CHAIN

WHERE IN THE WORLD ARE WE?

From India to China, we're building long term collaborative partnerships with our suppliers that are rooted in trust, a shared vision around sustainability and respect for people.

Wherever they are in the world, our suppliers appreciate and support our commitment to high ethical standards, and our workplace code of conduct.

While these are non-negotiable pillars, trust isn't built on benchmarks - it's built on actions meeting words, mutual respect and a desire to always do better.

A philosophy we, and our suppliers share and strengthen with each passing year.



OUR SUPPLY CHAIN

We don't own or operate the factories that make our products. But as an ethical fashion brand, we're very careful about who does.

The supply partners who produce our clothing and accessories must meet our high ethical and quality standards, so hand on heart we can say to our customers and stakeholders, our garments are Made with Care.

Currently our products come from factories in China, India, Bangladesh, and Vietnam. We're proud to have long-standing Relationships with suppliers who understand what we expect and share our values.

Managing a supply chain is complex and we're constantly working to improve visibility and accountability across every layer. To help get our supply chain transparency, we often rely on trusted thirdparty audits and recognised industry certifications.

To the right is how we're tracking in 2025.

Note:

Visibility: Means we have traced to the facility that is involved in the harvesting, processing and/or manufacturing within our supply chain. We have as a minimum their name and address on file and any certifications they may hold.

Transparency: Means we know who they are, we have visited their facilities and/ or conducted our own audits. As a minimum, we must hold a valid audit on file for the facility, either our own or a globally recognised audit (Smetsa, BSCI etc.)

Average worker earnings in our producer factories (by country)

	% above minimum wage	Representation
Bangladesh	7.3%	Two factories are unionised with collective bargaining agreements. 8 factories have worker representatives. (No collective agreements).
China	22.2%	All factories have worker representatives.
India	11.7%	All factories have worker representatives.
Vietnam	21.8%	Our 1 factory is unionised and has a collective bargaining agreement in place.

TIER 1

These factories make the products we import and sell.

Tier 1 FY25 transparency is at 99%, as we continue our due-diligence ensuring all factories are disclosed to us and onboarded.

Transparency

FY25: 99%

TIER 2

These suppliers are the textile processing facilities: mills, dye houses and laundries.

From 2025 our criteria for Tier 2 changed, as we updated to a 'transparency' target. We achieved our target of 4 audits on Tier 2 facilities.

Visibility & transparency

FY25: 4 audits

TIER 3

These suppliers provide the raw materials.

Tier 3 continues to be challenging to get the visibility we would ideally like to have. We continue to review textile certification programmes that could provide further verification of raw material origins.

TOWARDS LESS WASTE – THE QUEST CONTINUES

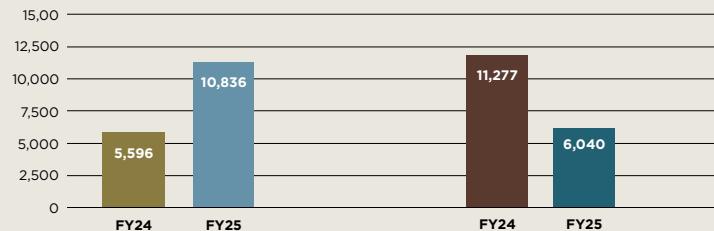
Within our sustainability framework you'll see Carbon Footprint, Climate Change Preparation and Environmental Impact are our focus areas. We continue our efforts to address these priorities.

Addressing waste continues to be a crucial priority for us. We work continually with key partners to strengthen our initiatives around the three Rs: Reduce, Reuse, and Recycle. Our collaborations with Better Packaging, EnviroWaste, and Waste Pro play a vital role in helping us achieve our waste reduction targets. Over the past four years, we have made significant progress; we've minimised our packaging usage and have actively worked to reduce, reuse and recycle whenever possible, as you'll see here.

Despite considerable efforts to minimise waste, last year we realised we would not reach a 50% reduction in landfill waste by this year – and it was becoming increasingly difficult to do so. However, this does not mean we have abandoned our commitment to strive for the best possible outcomes, but it has prompted some changes. For 2025, you'll see we compare our waste data to that of 2024, and we've updated our recycling and landfill rates. See how our waste reduction numbers in our DCs look for 2025.

NEW ZEALAND DISTRIBUTION CENTRES

Waste to landfill (kg)



Glassons (NZ)

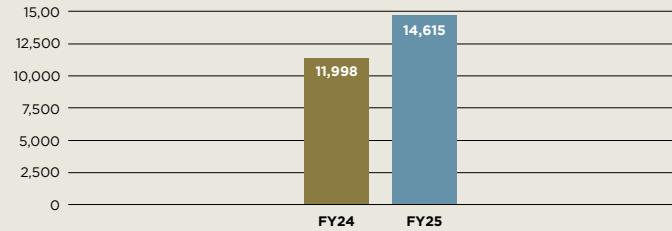
In FY25 we saw a significant increase in landfill waste in months Nov/Dec 2024 and Jan/May 2025; due to store closures and store defit waste cleared out from DC which happens infrequently. We are exploring every option possible to maximise recycling and manage our waste to landfill stats.

Hallensteins (NZ)

Supported by our approach of educating the team on how to separate their waste into recyclables and organics. This has enabled us to cut our general waste collection from twice weekly to once a fortnight.

AUSTRALIA DISTRIBUTION CENTRE

Waste to landfill (kg)



Glassons (Australia)

The increase in general waste compared to the previous year can be attributed to two primary factors; a significant rise in production volumes (increased by 12.4% over two periods) due to the continuing growth of the Glassons AU business and an increase in waste generated from store fit-out activities. These operational changes have led to a higher overall waste output of 1.4% for the reporting period.

Recycling by weight (kg)

Glassons (Australia)	64,580
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GLASSONS RECYCLING REVOLUTION WITH WASTEPRO

Glassons journey with WastePro over the past 3.5 years has resulted in an amazing.

190,221
KG's RECYCLED

69,603 KG
CARDBOARD

18,349 KG
TIMBER

25,475 KG
COAT HANGERS

3,201 KG
CO-MINGLE

2,480 KG
STEEL

1,116 KG
E-WASTE

27,585 KG
SOFT PLASTICS

26,603 KG
WASTE TO ENERGY

15,809 KG
CLOTHING

OUR PARTNERSHIPS

Keeping a lid on textile waste – we're ever vigilant, with our partners' help.

We're continually looking for ways to reduce the waste we send to landfill. We employ a number of different options to reduce our waste.

Smart stock management – we hold only as much stock as experience tells us we need for stores and online purchases, and no more – this planning begins with our range designs and influences our textile buying process.

Recycle and reuse – faulty stock is the main contributor to our textile waste, and we have a range of quality control processes set up with our supply chain to address this. When faulty product is identified, we can:

- accept the stock and sell through clearance stores at a reduced price
- donate to our charity partners, or
- send it to our partner businesses who focus on end use life for product that is unwearable



UPPAREL AUSTRALIA

Our partnership with UPPAREL underscores our commitment to sustainability in the fashion industry. UPPAREL is a leader in textile recovery and recycling in Australia. Upparel Australia take many of our textiles not fit for wear and repurpose them, often creating a new material called UPtex, which can be used for packaging, homewares and more. Take a look at how we work with Upparel.

3,017 kg

TEXTILES DIVERTED FROM LANDFILL

10,559.5 kg

GREENHOUSE GASES PREVENTED



USEDFULLY

HGH are now into their 6th year of membership, supporting the groundbreaking work that UsedFULLY have undertaken as UsedFULLY continues to redefine the future of textiles in Aotearoa New Zealand.

UsedFULLY led the industry-wide co-design of the country's textile circular economy, grounding their work in science to uncover the highest value uses for recycled fibres. By adapting a cutting-edge timber processing technology (developed by Crown Research Institute Scion) for textiles, UsedFULLY created a world-first, solvent free process that transforms unwanted garments into high performance industrial products.

In just the last 12 months, they have:

- Secured an exclusive global licence for Scion's breakthrough technology
- Delivered their first commercial order to market
- Established a new global benchmark for textile circularity – creating products that can deliver five times more value than recycling textiles back into textiles.

Their vision is to scale globally through partnerships in Australia, India, and Europe while expanding new applications through ongoing research and development.

From waste textiles to world-class solutions – UsedFULLY is proving that circular innovation drives both impact and value and HGH are proud to support them.



USEDFULLY'S CHIEF SCIENTIST DR STEPHEN BAGSHAW

THREAD TOGETHER & GLASSONS – A ‘PEOPLE CARE’ PARTNERSHIP

‘People’ are one the three pillars of our sustainability framework and through Glassons’ partnership with Thread Together, we’re taking ‘people care’ beyond the workplace and expanding our ‘Made with Care’ influence.

In May 2024, we proudly partnered with Thread Together – an organisation that believes clothing is a basic human right. Since 2012, Thread Together have been on a mission to deliver brand new clothing to people doing it tough, whether they’re experiencing homelessness, fleeing domestic violence, seeking refuge or recovering from natural disasters.

Through this partnership, Glassons and Thread Together have been able to redirect excess and unsold stock to people in need. In just a short time Glassons has donated an incredible 14,400 units of unsold stock, directly supporting thousands of individuals across the country who are doing it tough. These garments have been distributed through Thread Together’s national network of clothing hubs, mobile wardrobes and emergency relief programs – bringing dignity to thousands of people.

This collaboration is about more than just clothing, it’s about impact. Together, we’re creating meaningful change by combining social and environmental responsibility, and both organisations are grateful to the other, and excited about what lies ahead. We know this is just the beginning of what we can achieve together.



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At Thread Together, we believe that collaboration is the cornerstone of meaningful change. Our partnership with Glassons exemplifies what’s possible when purpose-driven brands come together to support people in need. **Through their generosity, we’ve been able to clothe the thousands of women doing it tough, providing not just clothing but dignity and hope.** We’re proud to stand alongside Glassons in creating a more inclusive and sustainable future.

ANTHONY CHESLER, CEO,
THREAD TOGETHER

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PEOPLE

EMPLOYEES, HR AND REPORTING

We're proud of the diversity across HGH. Our teams bring together a wide mix of ages, backgrounds, genders and cultures – creating richer, more inclusive workplaces. As an Equal Opportunities Employer, we're fully committed to supporting and maintaining that diversity.

Fashion retail has always been a female-led industry, and the same is true for HGH – especially across our Glassons stores. At Hallensteins, our menswear brand, gender representation is more balanced.

Back in 2023, we introduced a digital reporting system for hazards and incidents, and it's making a big difference. The insights we're gaining help us understand what kinds of incidents are happening and how often. That means we can tailor our safety responses more effectively – and when needed, we offer personal support through the Raise programme, which includes access to counselling. These issues don't have to be work-related; we support our people no matter what they're facing.



Fostering diversity, promoting inclusion, and recognising our unconscious biases are foundational values at HGHL and are important in building a respectful workplace, part of our Made with Care philosophy. That means we treat each other with respect, communicate thoughtfully, and follow our organisational values, Code of Conduct, and the law. Respect is powerful; people who feel valued, work better together and create a positive atmosphere.

In FY25 we engaged specialist training for our teams.

Respectful Workplaces training – helping us to recognise our unconscious biases

Aggressive Customer Training – providing managers with practical tools and knowledge to spot the early warning signs of aggressive behaviour, how to de-escalate situations, and keep everyone safe at work.