

# Performance Report

2023-2024



WOOLMARK



# Contents

3	Our vision statement
5	2022-2025 Strategic Plan priorities
6	2023/24 global highlights
12	Stakeholder engagement
13	Measurement and evaluation
14	Research, development, extension and marketing
23	Governance
23	Relevant policies and procedures adopted and implemented
24	Collaboration
24	Rural Research Development Corporation (RDC) collaborated projects
25	Collaboration snapshots

# Our vision statement



## Our purpose

- > To enhance the profitability, international competitiveness and sustainability of the Australian wool industry.
- > To increase value, demand and market access for Australian wool.
- > Through collaboration and consultation with stakeholders, to invest in research, development, extension and marketing initiatives.



## Our vision

To be a highly valued contributor through collaboration and consultation with stakeholders from farm to fashion in a vibrant wool industry and turn investment into returns through targeted innovations in research, development, extension and marketing.



## Our goals

- > To position Australian wool as the sustainable, natural, renewable, and biodegradable fibre of choice.
- > To contribute towards an increase in the gross value of Australian wool production through AWI's efforts to increase demand, price and productivity.



A man wearing a light blue long-sleeved shirt, dark trousers, and a wide-brimmed hat is crouching in a field of tall, dry grass. He is holding a plant that is growing out of a white plastic bag. The background shows a line of trees under a blue sky with scattered white clouds.

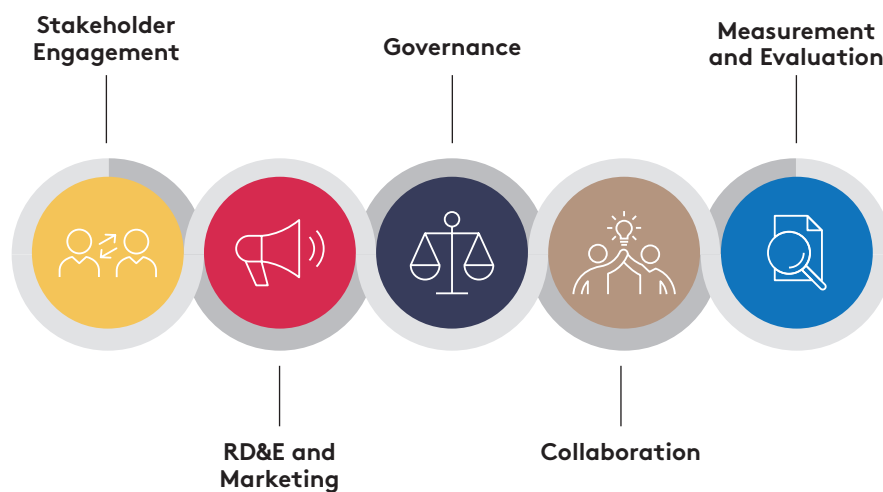
AWI's Strategic  
Plans are framed by  
what growers want  
AWI to focus on and  
what we can do as  
a company.



# 2022-2025 Strategic Plan priorities

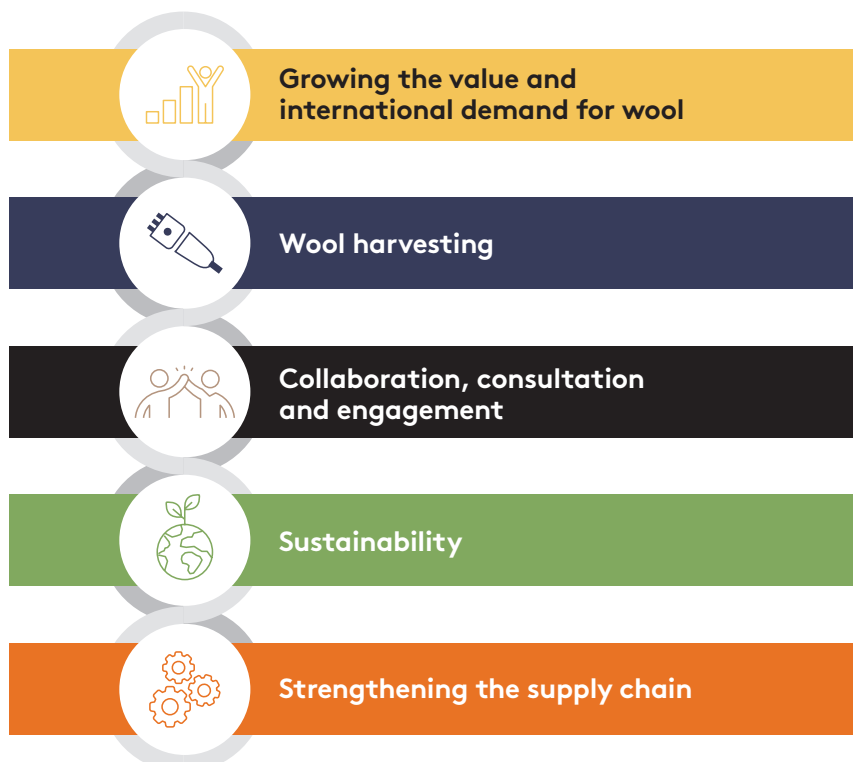
**This document provides a succinct and high-level summary of AWI's investments and is a companion to AWI's 2023/24 Annual Report.**

Information provided here is not exhaustive and is meant as an indicative representation of what AWI has done on behalf of Australian woolgrowers during the past year. This document is in line with the AWI's Statutory Funding Agreement with the Commonwealth that requires AWI to act in accordance with and uphold the five Performance Principles.



More information on the above five principles can be found in the 2023/24 Annual Report.

The Strategic Plan was developed after AWI consulted widely with woolgrowers and their representatives to ensure industry views and priorities were incorporated into the plan. The five priorities are highlighted below:





# 2023/24 global highlights

## China

- 12 brand partner collaborations: Edition, Eifini, ICICLE, M0&Co., PORTS, HAZZYS, LILY, JNBY, GXG, PEACEBIRD, less, Meilleur Moment
- 2 retail partner collaborations: Net-A-Porter and TMALL
- 17 Woolmark licensees onboarded
- 154 Woolmark Learning Centre course registrations
- 14 retail training programs
- Donghua Development Centre had 4 activations
- 445 participants in Wool Science & Technology programs
- 24 product and process developments

## India

- 1 retail partner collaboration: Ajio Luxe
- 1 trade campaign: Woolmark Learning Centre
- 3 Woolmark licensees onboarded
- 227 Woolmark Learning Centre course registrations
- Fibre & Yarns trade show
- 150 participants in Wool Science & Technology programs
- 4 product and process developments

## Bangladesh

- 1 emerging market campaign: Woolmark Trade Services
- 1 trade campaign: Woolmark Learning Centre
- 84 Woolmark Learning Centre course registrations

## Vietnam

- 1 trade campaign: Woolmark Learning Centre
- 1 Woolmark licensee onboarded
- 4 product and process developments

## Asia & Oceania

**Brand partner:** Partnerships with direct-to-consumer brands, such as Sportscraft.

**Retail partner:** Partnerships with retailers or e-commerce brands that market and sell multiple brands, such as Farfetch.



- Sheep Production
- Marketing
- Industry Development
- Consultation
- Market Analytics

## Republic of Korea

- 3 brand partner collaborations: TaylorMade, Brentwood (in-kind), Cambridge Members
- 1 retail partner collaboration: Musinsa
- 1 2023 International Woolmark Prize finalist
- 1 Woolmark licensee onboarded
- 1 retail training program
- 3 product and process developments

## Japan

- 1 consumer campaign: Japan A/W
- 5 brand partner collaborations: Descente, Mizuno, Sanyo Shokoi, Anuans, Goldwin
- 2 retail partner collaborations: Rakuten Fashion, Journal Standard
- 3 Woolmark licensees onboarded
- 18 retail training programs
- Japan Creation trade show
- 7 product and process developments

## Hong Kong

- Cobalt Yarn trade show
- 9 product and process developments

## Australia

- 3 brand partner collaborations: Iris & Wool, Sportscraft
- 1 trade campaign: Woolmark Learning Centre
- 2 bio harvesting demo days (Falkner and Katanning)
- MLP project concluded collecting 2,000,000 data points from 5,700 ewes
- 9 university collaborations
- 4,935 shearers and wool handlers trained
- 150+ events and forums
- 17,000 active participants across AWI's Extension programs
- 45 active Woolmark licensees
- 1,051 Woolmark Learning Centre course registrations
- 5,283 Wool4School Design Competition participants
- 250 Learn About Wool kits delivered to schools

## New Zealand

- 88 Woolmark Learning Centre course registrations



# 2023/24 global highlights

## Europe

### United Kingdom

- 1 consumer campaign: Eco Campaign
- 1 brand partner collaboration: Saul Nash
- 1 2023 International Woolmark Prize finalist
- 1 trade campaign: Woolmark Learning Centre
- 1 Woolmark licensee onboarded
- 309 Woolmark Learning Centre course registrations
- 4,203 Wool4School Design Competition participants
- 6 product and process developments

### Ireland

- 1 2023 International Woolmark Prize finalist

### France

- 1 consumer campaign: Eco Campaign
- 2023 International Woolmark Prize finalist
- 4 brand partner collaborations: Salomon, Vilebrequin (in-kind), Circle Sportswear, Nissan Formula E
- 1 Woolmark licensee onboarded
- 257 Woolmark Learning Centre course registrations
- Premiere Vision, Outdoor experts and Millipol Paris trade shows
- 1 retail training program
- La Caserne Development Centre had 5 activations
- 3 product and process developments

### Germany

- 1 Woolmark licensee onboarded
- 174 Woolmark Learning Centre course registrations
- Performance Days and ISPO Munich trade shows
- 7 retail training programs
- 5 product and process developments

- Sheep Production
- Marketing
- Industry Development
- Consultation
- Market Analytics



## Norway

- 1 Woolmark licensee onboarded

## Denmark

- 1 Woolmark licensee onboarded
- 1 2023 International Woolmark Prize winner

## Austria

- 1 Woolmark licensee onboarded
- 1 retail training program

## Romania

- 1 Woolmark licensee onboarded

## Turkey

- 1 retail training program

## Italy

- 5 brand partner collaborations: Benetton, Arena Sportswear, Luna Rossa Prada Pirelli, Prada (Marketing) Linea Rossa, Venice Gondoliers
- 1 2023 International Woolmark Prize finalist
- 4 Woolmark licensees onboarded
- 701 Woolmark Learning Centre course registrations
- Milano Unica, Natural Fibre Connect and Pitti Filati trade shows
- 3,179 Wool4School Design Competition participants
- 7 retail training programs
- D-house Development Centre had 5 activations
- 8 product and process developments

# 2023/24 global highlights

## Americas

### Canada

- 1 retail partner collaboration: Hudsons Bay Company
- 1 Woolmark licensee onboarded

### United States of America

- 1 consumer campaign: Eco Campaign
- 1 brand partner collaboration: Huckberry
- 1 2023 International Woolmark Prize finalist
- 1 retail partner collaboration: Saks Fifth Avenue
- 1 trade campaign: Woolmark Learning Centre
- 3 Woolmark licensees onboarded
- 265 Woolmark Learning Centre course registrations
- Functional Fabric Fair trade show
- 32 retail training programs
- 8 product and process developments

### Mexico

- 1 emerging market campaign: Woolmark Trade Services

### Peru

- 1 emerging market campaign: Woolmark Trade Services

- Sheep Production
- Marketing
- Industry Development
- Consultation
- Market Analytics





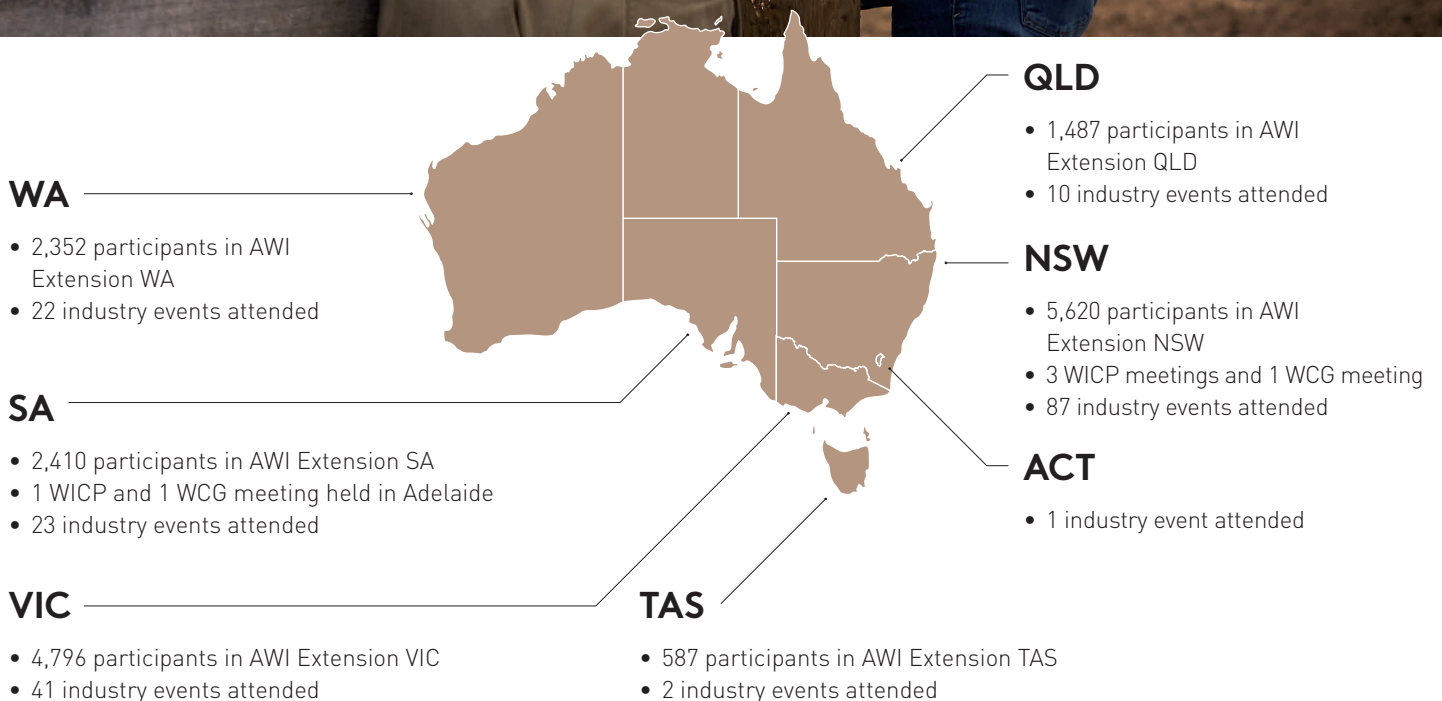
**Nigeria**

- 1 2023 International Woolmark Prize finalist

**Africa**

# Stakeholder engagement

AWI continues to effectively engage with stakeholders in order to identify research, development, extension and marketing priorities and activities that provide benefits to industry. This means being open and transparent about how input and ideas from levy payers are incorporated into strategy design and the reasons for their inclusion or otherwise.

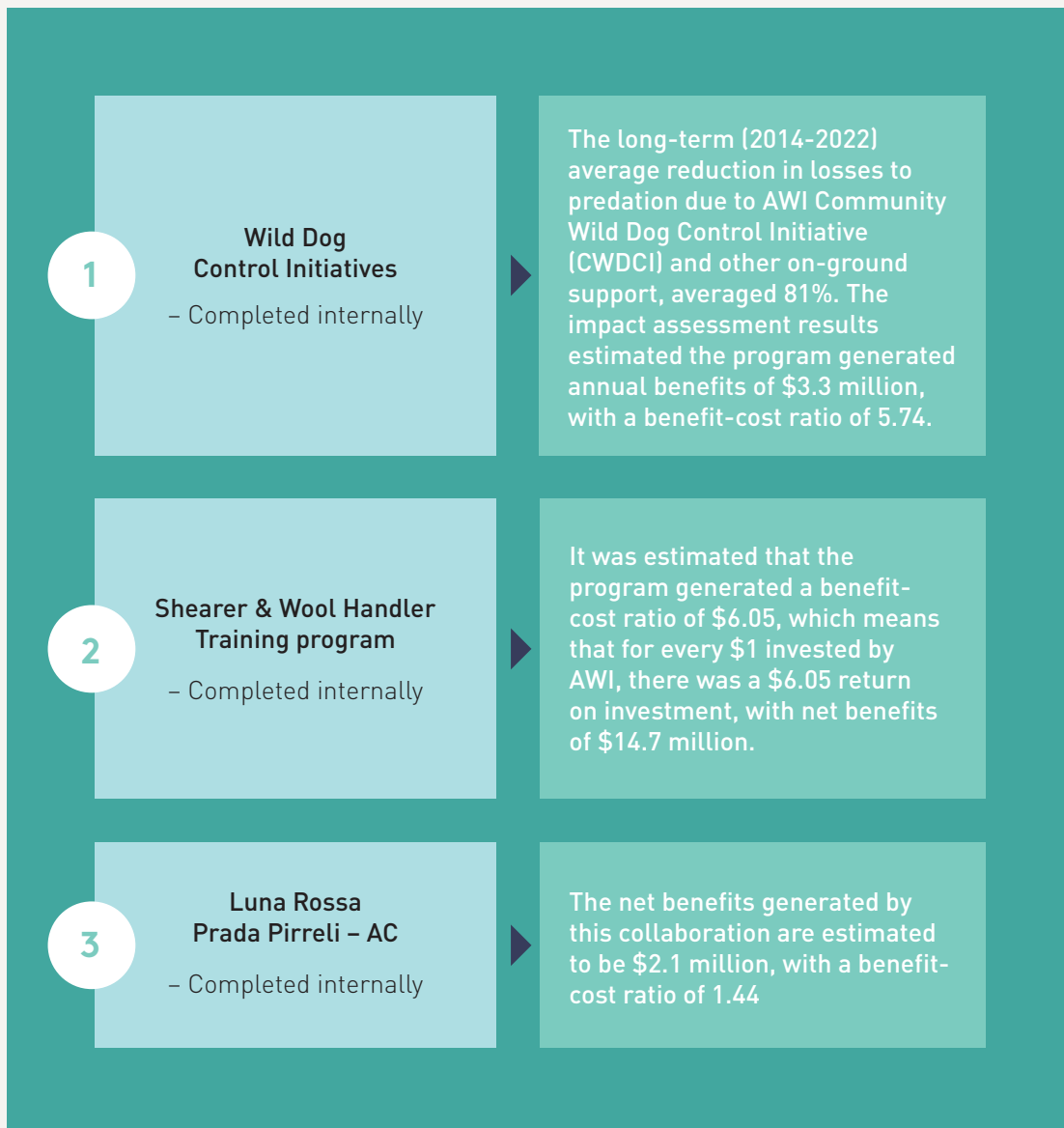




# Measurement and evaluation

AWI is committed to providing quantifiable returns on woolgrower and government funds. The AWI Measurement and Evaluation (M&E) Framework defines the evaluation logic and operational processes and is publicly available through the AWI website. Our M&E process is based on the principle of continuous improvement and refinement to the evolving needs of AWI and the greater industry we serve.

## Evaluations conducted in 2023/24



# Research, development, extension and marketing

## Performance against 2023/24 Annual Operating Plan targets

AWI undertook a diverse range of RD&E and marketing activities that incorporate risk assessments, and targeted returns on investment. Below is the summary of the achievements against the targets that were set in the 2023/24 Annual Operating Plan.

For more details refer to the pages 84-94 of the 2023/24 Annual Report.

The chart below shows the results for each portfolio broken down into three potential outcomes. The colours demonstrate the status at the end of the financial year for each of the key performance indicators (KPI) set out in the Annual Operating Plan.



### KEY:

Colour	Status	Explanation
Green	Achieved	The KPIs were fully achieved.
Amber	Partly achieved	The KPIs set were close to being achieved but not fully met and/or were impacted by seasonal conditions.
Red	Not achieved	Most of the targets in red had progressed well and they were close to being achieved but due to certain factors their timelines were not met.

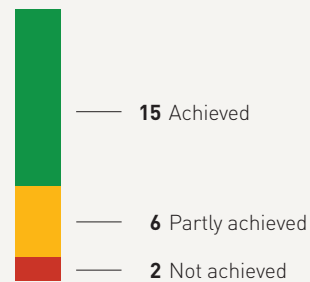


# Sheep Production

## \$12.3 million

Invested to increase the productivity of sheep and land and the efficiency of use of inputs and resources whilst enhancing Australia's reputation for sustainability.

PERFORMANCE AGAINST 2023/24 TARGETS



\*refer to the key on pg.14 for more details



ewe nutrition and management on overall reproduction rates and lamb and ewe survival. Producers develop the skills to manage their ewes to achieve condition score targets and explore the benefits of supplementary feeding and pasture management to review stocking rates.

## School Merino wether challenges

With the introduction of the School Merino Wether Challenge into Victoria this year, the annual program is now being held in all six states across the country. Through the program, hundreds of high school students learn about the commercial production of Merino sheep. The students gain practical, hands-on sheep and wool production skills by looking after teams of Merino wethers over a period of about six months. Each school team then gets to show their wethers during state competitions.

## Lifetime Ewe Management

AWI continued support of the Lifetime Ewe Management (LTEM) course during the year, with participants enrolled across Australia. Delivered through Rural Industries Skill Training (RIST), the course aims to increase producers' understanding of the influence of

## Suppressing sheep blowfly populations

The results from recent AWI-funded research with the Universities of Melbourne and Queensland demonstrated proof of concept that the Australian sheep blowfly *Lucilia cuprina* can be transinfected with a natural bacterium, *Wolbachia*, which could potentially spread itself through and suppress sheep blowfly populations. However, infection rates in the project were variable and relatively low, and a long-term project would be needed to establish infection success. In a separate project with industry partners, millions of sterile male blowflies are set to be released on Kangaroo Island to see whether it will suppress the blowfly reproduction rate and population. In a new project, with Deakin University, AWI is also aiming to develop a highly targeted new blowfly lure technology to reduce the build-up of sheep blowfly populations.

## Vaccine for control of flystrike

The final report for the first stage of the flystrike vaccine development project with CSIRO was submitted for review in late 2023/24. Initial in-vitro (lab) results were positive in reducing larval mass, but the researchers struggled to replicate these in field trials when vaccinated sheep were exposed to flystrike. Investment in further research to better understand how the blowfly larvae react to the vaccine when it is applied to the sheep and to identify better methods of delivery of the vaccine will be critical in producing an effective vaccine against flystrike.

## Leveraging research levy investment

In 2023/24, AWI partnered in research projects with more than 50 different organisations, including new collaborative partnerships with organisations such as Deakin University and the University of Melbourne's WEHI (Walter and Eliza Hall Institute). As a result of these collaborations, AWI has a leverage funding ratio of nearly 1.4. This means that for every dollar AWI invested in research collaborations in 2023/24, it was matched by \$1.39 from other organisations, through either Federal grants and cash or in-kind contributions.

## Sheep Production



### Biological wool harvesting

The AWI project to develop a new opportunity for the biological harvesting of wool is progressing well.

AWI-funded research at the University of Adelaide has generated a weakened fibre zone at the base of the wool fibre that, importantly, enables the fleece to remain on the sheep without a net until the wool can be mechanically removed. Further testing continues. AWI is now investing in the second phase of the project which is the development of a way to harvest the wool via a device that applies a force to separate the wool from the body of the sheep. AWI has contracted with four organisations to undertake R&D into wool harvesting systems, with each taking a different approach to removing the wool.

### AWI's flystrike extension program

AWI this year continued to help woolgrowers tackle flystrike through its comprehensive Flystrike Extension Program. It's Fly Time!™ provides woolgrowers with practical information in the lead up to, and during, high-risk flystrike periods; while DemystiFly™ provides information about managing chemical resistance in blowflies. The SimpliFly™ one-day workshop helps woolgrowers develop a property-specific, strategic flystrike management plan. This year, ClassiFly™ workshops were finalised to help woolgrowers increase their understanding and

skills in breeding for flystrike resistance. Also this year, the StrateFly™ workshop to develop a property-specific strategy for moving to a non-mulesed enterprise was piloted, and development commenced for AmpliFly™ one-on-one coaching to assist woolgrowers prevent and control flystrike for rollout in 2024.

### AWI sheep delivery units

There are six companies across Australia manufacturing systems based on the AWI sheep delivery system designs. The AWI sheep delivery units provide a system that delivers sheep directly to the shearer, eliminating the time and energy that shearers spend on the catch and drag and minimising the chance of injury to the shearer. The design focuses on a 'modular' concept in which portable singular shearing stands can be joined together.



### Shearer and wool handler training

AWI funds shearing and wool handling training courses to attract and retain new entrants into the wool harvesting industry and increase workers' productivity, skills and professionalism. As a way of encouraging learner shearers to stay in the industry, AWI in partnership with Heiniger also provides them with an 'AWI Learner Shearer Toolkit' containing a handpiece and other shearing gear, subject to the shearer passing certain criteria. Since the project was launched three years ago, AWI has issued 540 toolkits to learner shearers who have taken up shearing full time.

AWI analysis shows that 100% of learner shearers that were issued with a toolkit in the 2023/24 financial year have stayed in the industry.

### State and regional shearing competitions

There were **1,160 participants** across regional and state competitions.

- NSW – 496
- QLD – 52
- SA – 48
- TAS – 24
- VIC – 306
- WA – 234

### Wool ambassadors program

This year, AWI rolled out its Wool Ambassadors Program in all six states. The 17 state-based ambassadors attend events such as Sports Shear competitions and shearing industry training workshops to highlight the benefits of working in the wool harvesting industry. They are positive role models, thereby helping to attract a quality workforce, raise wool harvesting standards and improve the culture in shearing sheds.

### AWI breeding leadership professional development

AWI held a five-day Breeding Leadership course in February for 22 enthusiastic young people working in the wool industry – the industry's next generation of leaders. Held every two years, Breeding Leadership arms the young participants with the skills and tools to become better leaders.

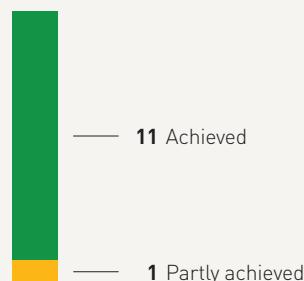
Now in its tenth year, the course has helped progress the careers of 219 young people within the wool industry, many of whom hold leading wool roles today.

# Marketing

## \$29.6 million

Invested towards building demand for Australian wool by reinforcing its position in the market and solidifying a strong price to ensure a sustainable future for Australian woolgrowers.

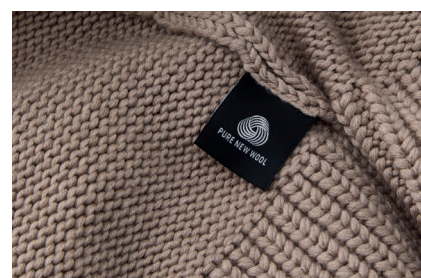
### PERFORMANCE AGAINST 2023/24 TARGETS



\*refer to the key on pg.14 for more details



select brand and retail partners to drive wool sales during Double 11 (November) and Double 12 (December) shopping festivals. Across the Autumn/Winter campaign, \$122 million of wool products were sold, a 150% increase in sales compared to the pre-launch period.



## Luna Rossa Prada Pirelli

A full Merino wool training collection was produced for the Luna Rossa Prada Pirelli America's Cup sailing. The project generated a benefit-cost ratio of 1.44. The project aimed to stimulate the market in the use of wool for performance to increase the consumption of wool at a global level through a market trickle-down effect. This was achieved through the increase in the sale of wool fabrics from suppliers used for Luna Rossa performance products and an increase in brands connecting with Woolmark for technical support to introduce/increase performance wool fabrics and yarns into collections, such as VF Corporation.



## International Woolmark Prize 2023

IWP 2023 significantly enhanced Woolmark's media presence with over 5,000 clippings (66% YoY increase). Social media engagement soared with 9.5 million video views and 28 million impressions. The six finalist announcement events and the grand final in Paris generated substantial media coverage and business development opportunities, culminating in the successful commercialisation of six collections. This illustrious fashion award and talent development program generates long-term demand for Australian Merino wool by building and strengthening the reputation of the fibre as the ultimate ingredient of sustainable luxury fashion.

## Filter by Fabric eco campaign

In October 2023, The Woolmark Company launched the 'Filter by Fabric' (filterbyfabric.com) aspect of its eco-campaign which urges fashion brands to commit to transparent, accurate product names that reflect fabric composition. The initiative amassed 330+ media clippings, four million impressions, and pledges from consumers and brand partners such as global fashion giants Benetton and Reformation as well as leading Australian brands Iris & Wool and Merino Country.

## China consumer campaign

The Woolmark Company continued partnering with China's largest e-commerce platform TMALL, promoting 4,000+ brands during Wool Week (September). Alongside this, Woolmark partnered with

## Rakuten Fashion

Japanese e-commerce fashion platform Rakuten Fashion promoted the wool apparel of 756 brands, selling \$22 million worth of wool products during the two-month campaign.



## Marketing

### IWP former winner Saul Nash: JUXTAPOSITION

Since winning the 2022 International Woolmark Prize, Saul Nash has leveraged his prize winnings to advance his brand by developing and commercialising innovative Merino wool products. His collaboration with Woolmark resulted in a collection which featured seamless compressive performance-wear and premium knitwear, created in collaboration with Woolmark Development Partners and Studio Eva x Carola. The campaign, JUXTAPOSITION, showcased these products through a compelling film directed by Nash, launching alongside his new e-commerce platform. This effort secured partnerships with major retailers and garnered extensive media coverage, achieving a total reach of over 41 million.



### Huckberry – 72 hours in Merino

In 2024, AWI partnered with Huckberry to boost the visibility and sales of Merino wool products. The campaign exceeded expectations with 7 million total impressions, a 14% increase over the planned figures, and 117,000 video views with above-average dwell time. During the campaign, there were over 8,000 searches for 'wool' or 'Merino,' and Huckberry achieved a 90% sell-through rate for wool products, resulting in a 30% year-over-year growth in wool sales.

### Saks Fifth Avenue

Premier e-commerce platform for luxury fashion Saks increased wool sales on Saks.com by 125% compared to the previous 6-week period.

### Musinsa e-commerce partnership

South Korean e-commerce platform Musinsa promoted the wool apparel of 87 brands, selling \$62 million of wool products during the five-month campaign, a 360% year-over-year increase. This was the second year of collaboration with Musinsa; the approach to delivering key messages was refined with circularity identified as a critical theme to reach the younger generation.



### Get outside in Merino

The Get Outside Tour has engaged with active outdoors minded individuals across the United States, educating on all the amazing benefits of Merino wool in the active outdoors. The partnership announcement obtained readership of 59.66 million and 54 clippings. The project had 21 total activations across festivals, clinics, excursions, dinner series, and fundraisers.



### Woolmark Performance Challenge

The Woolmark Performance Challenge is a competition for tertiary students from across the world to develop innovative new product applications for Merino wool within the sports and outdoor market. For the 2023 competition, students were challenged to develop bold, game-changing innovations that reinvent the uniforms of the Luna Rossa Prada Pirelli sailing team, the Italian challenger in the iconic America's Cup sailing race. During the past six years, the program has involved nearly 7,000 students from more than 325 universities in 30 countries across the world.

### Ajio Luxe AW2023 consumer marketing

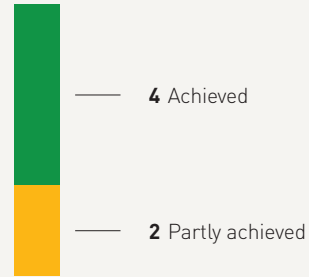
AWI's campaign with Ajio Luxe, India's top luxury e-retailer, led to a 61% increase in year-over-year wool sales, with 7,500 pieces sold, over 51 million impressions, and 15 million people engaging with Woolmark content. Ajio Luxe extended the campaign by 10 days due to its success. This collaboration significantly boosted Merino wool's profile among luxury shoppers and strengthened future ties with Ajio and Reliance Brands.

# Consultation

## \$4.0 million

Invested to build trust and transparency across the supply chain through an industry best-practice structure, targeted and measurable engagement model; and for this intelligence to influence, inform or contribute to AWI's business activities.

### PERFORMANCE AGAINST 2023/24 TARGETS

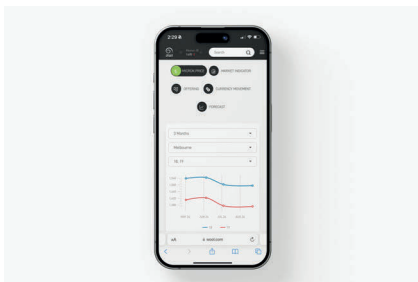


\*refer to the key on pg.14 for more details



### Beyond the Bale

*Beyond the Bale* magazine was sent each quarter to an average of **24,482 Australian woolgrowers** and wool industry stakeholders (15,947 hard copy and 8,535 soft copy).

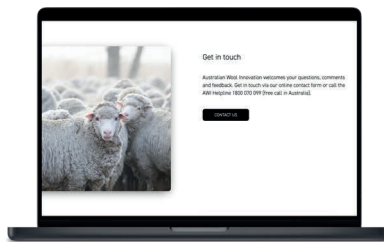


### Market intelligence

On the AWI website page, the Market Intelligence section received a **total of 119,025 views**.

### Woolgrower survey

AWI Woolgrower Survey shows that **76% of growers** find value in AWI Market Intelligence and Analysis.



### Wool.com

Feedback provided through the portal or other form is duly responded to with utmost priority. In 2023/24, AWI received a total of **228 submissions** through the portal.

### Consultation with representative bodies

In 2023/24, AWI strengthened its engagement with woolgrowers through the Woolgrower Industry Consultation Panel (WICP) and Woolgrower Consultation Group (WCG). The WICP met quarterly, facilitating direct dialogue between national woolgrower organisations, AWI, and the Department of Agriculture, Fisheries and Forestry, while providing transparent updates to stakeholders. The WCG, representing a broader spectrum of the industry, convened biannually

to address strategic wool industry matters. These initiatives reflect AWI's commitment to fostering strong, ongoing consultation and collaboration with woolgrowers.



### Direct engagement

Consultation staff recorded **more than 1,050 times** they met, spoke with and presented to woolgrowers and other industry stakeholders.



### Extension networks

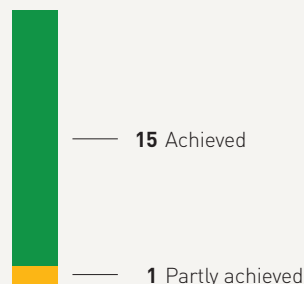
There are **17,000 active participants** in AWI Extension Networks across NSW, VIC, SA, WA, QLD and TAS.

# Industry Development

## \$6.2 million

Invested to increase the profitability and sustainability of the wool processing and manufacturing supply chain and educate students, trade and retailers about the benefits of wool.

PERFORMANCE AGAINST 2023/24 TARGETS



\*refer to the key on pg.14 for more details



### Supply chain partners

Technical transfer and education extension delivered 82 process and product developments in Vietnam, Taiwan, Sri Lanka, Korea, China, Portugal, USA, Netherlands, Bangladesh.

in the early stage of their careers about the properties and benefits of Merino wool, and encouraging them to continue to use the fibre in their designs as they progress through their professional lives. Highlights this year were the delivery of the Woolmark Wool Science and Technology program in China and India, Naturally Inspiring seminars, a special wool workshop at Dutch Design Week, and tours of wool-growing properties during visits to Australia by students from New York and Biella.

### Trade shows promote Australian wool

The Woolmark Company pursued the development of product innovations, demonstrated for example by the launch of the new performance wear capsule collection for mountain and snow sports, as well as new sustainable processing with a focus on natural dyeing.



### Woolmark Learning Centre

The Woolmark Learning Centre is a free web-based hub that houses world-class educational resources about wool for learners at all levels; this year it received 4,129 registrations (23% above target) with 2,085 course completions. Two new courses were launched, Best Practice Lamb Marking and Breeding Leadership, and the Seamless Knitting Technology course was updated.



### Brand and retail education

The Woolmark Company works with brand and retail partners to help educate their sales staff and others about the benefits of wool, so they can advise consumers more appropriately and increase purchases of wool products. The training programs continue to perform well, 80 training programs delivered this year, double the target of 40, to international brands such as Benetton, Uniqlo and Under Armour, and Australian brands such as Rip Curl and Cable Melbourne.

### Tertiary student education

The Woolmark Company continues to foster the education and development of tertiary textile and fashion students – inspiring them

### The Wool Lab sourcing guide

During 2023/24, six themed booklets were released for Spring/Summer 2025 and five themed booklets for Autumn/Winter 2025/26, which together generated 12,630 swatch requests. A special edition focussed on Portuguese spinners, knitters and weavers was also released this year. As well as being available as physical books, The Wool Lab is also available on Woolmark.com via The Wool Lab Digital platform which achieved 937 unique registrations this year.

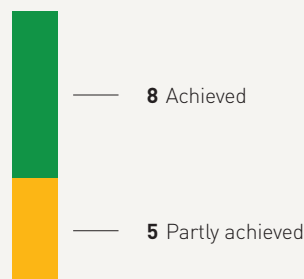


# Market Analytics

## \$4.5 million

Invested to provide tools to ease the flow of information about Australian wool up and down the supply chain to all parties; to communicate wool's benefits, facilitate provenance and supply chain transparency. AWI will be able to identify markets that will emerge strongly and capitalise on the opportunity.

### PERFORMANCE AGAINST 2023/24 TARGETS



\*refer to the key on pg.14 for more details



## Nanjiren becomes a Woolmark brand licensee

Nanjiren, a major Chinese underwear and lingerie brand, became a Woolmark brand licensee in April. The agreement was marked by a ceremony at The Woolmark Company's Sydney office. Nanjiren plans to open more than 30 new shops in China this year and will feature a wide range of wool products, sourced from Woolmark suppliers. This partnership emphasises The Woolmark Company's influence in the fashion industry.

## Automatic Identification of Australian wool

An AI-based wool fibre analysis instrument can accurately and automatically identify textile

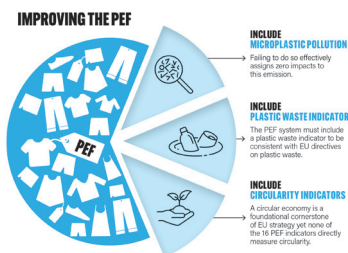
fibre types, effectively analysing Australian and Chinese wool with over 97% accuracy. It supports functions like sample labeling, data storage, model training, fibre recognition, and statistical analysis. The system reduces subjectivity and inconsistency in fibre classification, enhancing test data accuracy and reproducibility. This development is beneficial for the textile industry, promising significant economic and social gains and potentially leading to industry standards for animal fibre identification.

campaign. AWI is also engaging with alternative rating schemes like France's Ecobalyse, which is more open to methodological improvements.



## Emerging markets

As part of its updated Emerging Markets Strategy, AWI has identified several countries that could potentially be new processing and manufacturing markets for Australian wool. This will help reduce the risk of the Australian wool industry relying on a limited number of markets and ensure that Australian wool remains competitive. In addition to opportunities in several Asian countries, AWI is working in Portugal to take advantage of the nearshoring opportunities for markets in Europe; and Mexico and Peru for the North American market.



## AWI advocacy for wool in the European Union

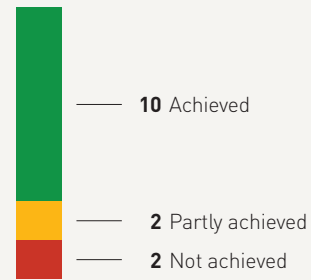
The European Union is developing a Product Environmental Footprint (PEF) tool to introduce environmental labelling for apparel across EU countries. However, current proposals rate wool and natural fibres unfavorably. AWI is actively addressing these issues by providing expert input to the European Commission's PEF Technical Secretariat and advocating for changes through the Make the Label Count

# Corporate Services

## \$9.5 million

Corporate Services provides key expertise, compliance, governance, support, and value to the global business in the areas of financial management, legal, measurement, monitoring and evaluation, people & culture, and company secretarial support including intellectual property portfolio management.

### PERFORMANCE AGAINST 2023/24 TARGETS



\*refer to the key on pg.14 for more details

## Evaluations

In addition to the four individual impact assessments, the 2019/22 Strategic Plan was also evaluated by independent consultants and the primary measure of AWI's performance was the Benefit: Cost Ratio [BCR] on levy payer contributions. For the three-year period it is estimated AWI achieved an overall BCR on projects undertaken of **2.8 for every dollar spent**. The M&E unit internally conducted evaluations on **four different projects** across a broad range of AWI strategies using methodologies best suited to the activities.



## Learning and development

On average 97% of AWI global employees have completed annual compliance courses during the year including covering the following topics.

- Work health and safety, Anti-bullying and harassment, Discrimination & grievance procedures
- Modern Slavery Policy/training
- Code of Conduct and Business Ethics policy
- Respect@Work

## Administrative efficiency initiatives 2023/24

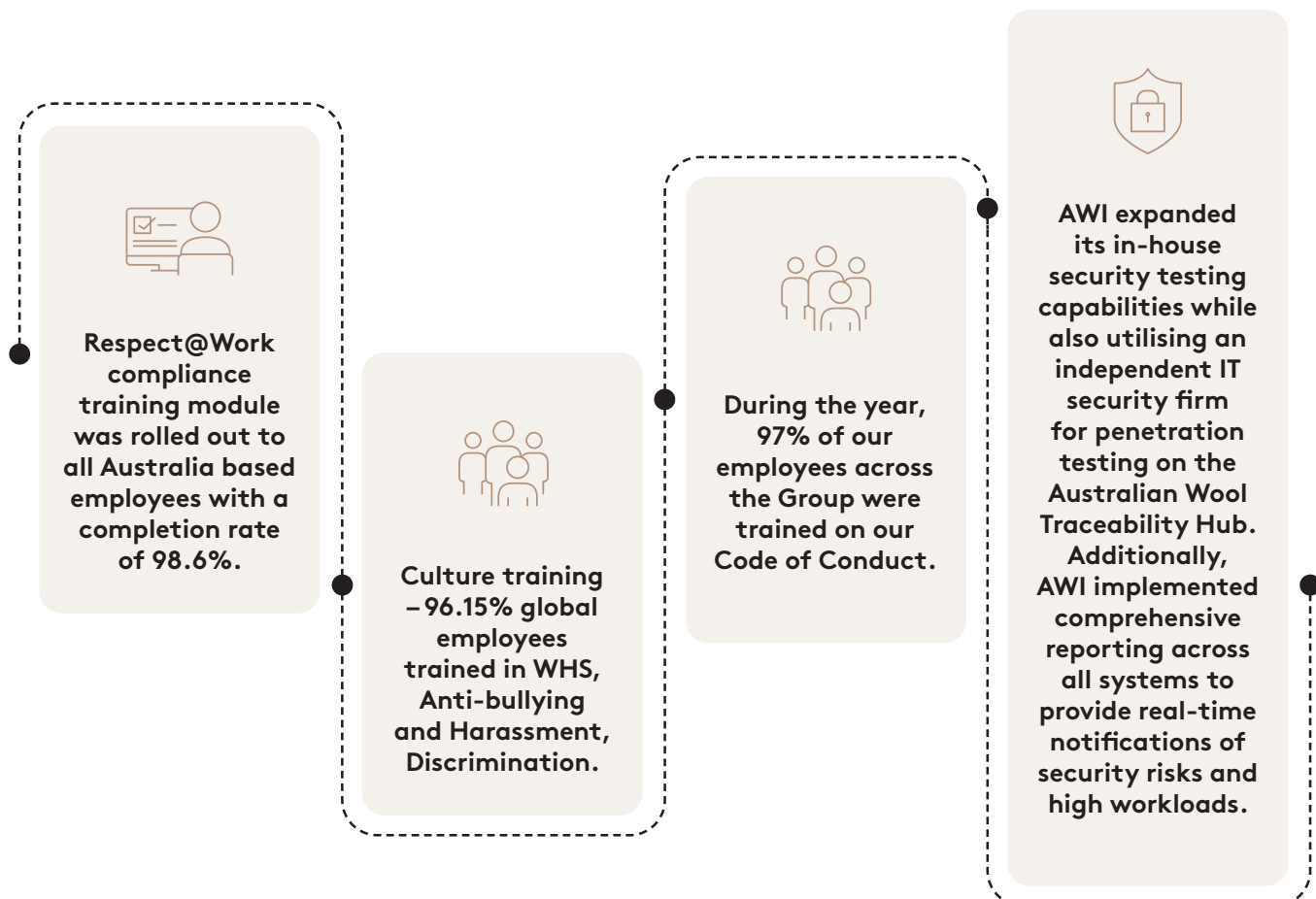
Further implementation of existing efficiency measures has been rolled out across the business this year. Additional updates have been made to enhance project management tools. These updates ensure that information captured in project proposals is seamlessly transferred to completion reports. The continued use of digital applications and technologies not only reduces paper waste but also maintains stringent global security certifications and enterprise-grade security and compliance controls, ensuring the protection of information, documents, and data.

# Governance

Planning and reporting of investments are done in line with legislative and Commonwealth requirements.

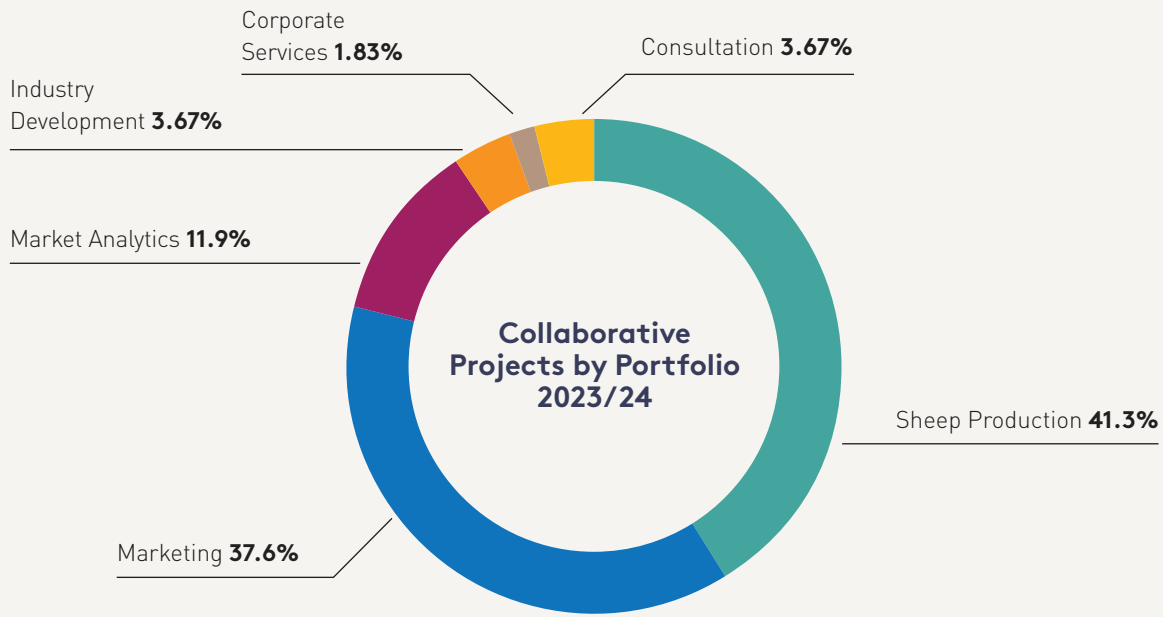
- Alignment with SFA, global entities and complying with all local statutory reporting requirements.
- Annual Report and yearly Performance Report conducted to report on investments.
- Updates in legislation are reviewed and checked for any impacts to the business with any relevant policies/processes updated accordingly.
- Overarching Fraud and Risk Framework in place, risks updated on a six monthly basis and new Board Risk Appetite Statement updated on wool.com

## Relevant policies and procedures adopted and implemented





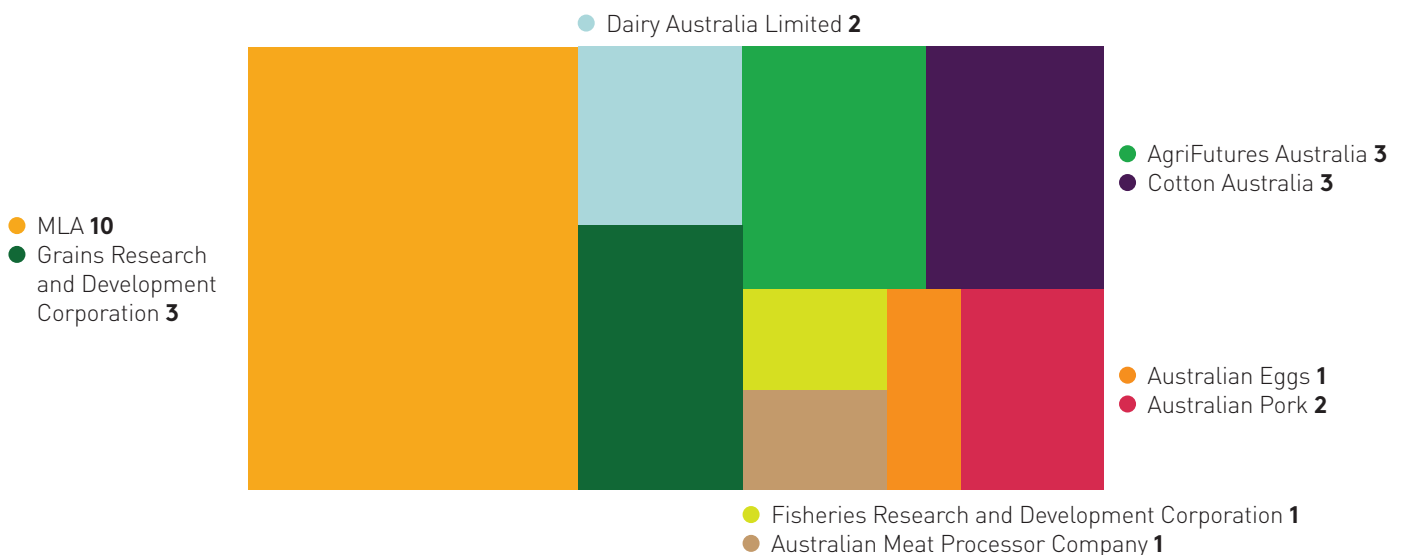
# Collaboration



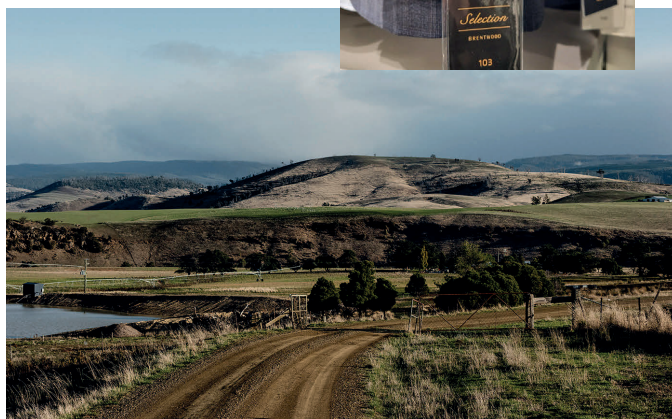
Collaboration makes AWI investments more efficient and effective by reducing duplication, maximising leverage, and providing a greater platform for adoption.

## Rural Research Development Corporation (RDC) collaborated projects

AWI collaborated with 9 RDCs across 7 projects with 26 partner collaborations across these projects



Farming for the Future



Woolmark Korea x Brentwood



La Caserne Development Centre

# Collaboration snapshots

## Development Centres

The Development Centres provide a platform and a collaborative industry hub to learn about the natural benefits, versatility and technical possibilities of Merino wool.

Through these industry partnerships, in key strategic locations, The Woolmark Company supports the development of wool products and processing innovations in core markets (apparel, sports + performance) and to open doors in new market segments (footwear, automotive, protection wear, interiors and beyond) creating commercial opportunities for Merino wool and Australian woolgrowers.

The following Woolmark Development Centres have been established:

- **China:** Donghua Wool Education Centre (Shanghai), Nanshan Weave Centre (Shandong), Xinao Knitwear Development Centre (Zhejiang Province), Santoni Material Experience Centre (Shanghai), and a new centre being developed at Redsun (Zhejiang Province).
- **Europe:** D-House Urban Lab (Milan, Italy) and La Caserne (Paris, France).
- **USA:** Variant 3D (California).

## Paul Stuart Premium Suit Campaign

A marketing collaboration was launched in Japan with Paul Stuart, a premium suit brand licensed by the Sanyo Shokai Group, the ninth-largest apparel group in the country, to boost Merino wool business wear sales. The campaign promoted 27,000 Merino wool pieces, including suits, jackets, and coats, totaling more than 15 tonnes of wool. It targeted affluent men and women through digital, social media, and in-store marketing across 81 stores. This initiative supported the strategy of defending traditional high-volume markets in Japan's increasingly polarised suit market, with discussions for a larger project this winter currently underway.

## Woolmark Korea x Brentwood

Woolmark collaborated with Brentwood, a leading formal menswear brand which has shifted its growth strategy toward premiumisation, now featuring Merino wool as a core element in its communication strategy.

The focus of Brentwood's SS24 suit collection is on breathability, comfort, wrinkle recovery, and freedom of movement. Key marketing activities included creating a landing page, developing in-store displays, posting on Instagram, and using "Supported by TWC" hangtags. The campaign promoted approximately 60,000 pieces, with an estimated 30 tons of wool, and is expected to generate \$50 million in sales, all with no direct investment.

## Farming for the Future

In response to market demand for evidence that woolgrowers are responsibly managing the environment on their farms, AWI is co-investing in the Farming for the Future program to demonstrate to woolgrowers the business case for improving their farms' natural capital (environmental assets such as biodiversity, soil, water and vegetation). Through consultation with woolgrowers and the supply chain, AWI has been building industry-wide consensus on the most commercially and cost-effective appropriate metrics for woolgrowers to measure, manage and report their on-farm natural capital and environmental performance.

## Collaboration snapshots (continued)

### Woolmark x Andamen

Following more than two years of collaboration, Andamen has launched its new “Apex” line, featuring premium products made from 100% fine Merino wool and wool blends with 10% cashmere. This collection represents Andamen’s most luxurious offering, with all items Woolmark tested and certified. The brand’s commitment to Merino wool continues, as they are already developing another wool collection for SS24. A digital-centric marketing campaign will target Indian Millennial and Gen Z audiences, aiming to elevate Merino wool as a premier fibre. The collection includes approximately 30 SKUs and 6,000 pieces.

### Australia & New Zealand Designer Incubation Lab

The relaunch of the ANZ Designer Incubation Lab in Sydney brought together designers and managers from leading Australian fashion brands, including Alemais, bassike, BEARE PARK, and Christopher Esber, among others. The workshop provided an

invaluable platform for learning and collaboration, focusing on sustainability, traceability, and product innovation within the industry. The event sparked significant discussions around global legislation and its implications for the Australian

fashion sector, leading to the development of new collaborations with key brands such as Christopher Esber, Alemais, SIR and Venroy.



### Visual Sheep Scores

The Visual Scores Guide is a tool for sheep breeders to standardise the assessment of visual traits, aiding genetic improvement. It provides instructions for scoring traits like conformation and wool quality, with scores converted into Breeding Values to guide breeding decisions.

First published in 2007 by AWI and MLA and updated periodically, the latest 2024 edition includes new scores for feet, udder conformation, and lambing ease, reflecting the latest industry research and needs. This guide continues to support breeders in achieving better genetic gains.

### Sportscraft

Celebrating a 60 year partnership with Woolmark, Sportscraft launched a dedicated Merino wool collection in May 2024, which saw a 26% increase in wool sales compared to last year.



Woolmark x Sportscraft

Australia & New Zealand designer incubation lab

### Wool biodegradability in marine environments

Recent AWI-funded research, published in the peer-reviewed journal *Water, Air, & Soil Pollution* in 2024, confirmed that wool biodegrades effectively in marine environments, unlike synthetic fibres. The study, conducted by AgResearch, compared Merino wool (machine-washable and untreated) with synthetic fibres (polyester, nylon, and polypropylene) and cellulose-based viscose rayon. The findings revealed that both

types of wool and viscose rayon biodegrade significantly, while synthetic fibres showed little to no biodegradation. Importantly, no microplastic pollution was detected from the machine-washable wool, underscoring the eco-friendly nature of wool. These results support AWI’s advocacy for natural fibres in global textile markets and efforts to influence European environmental policies on textile sustainability.



Wool biodegradability in marine environments



# Examples of AWI collaborators across the supply chain





THE PERFORMANCE REPORT IS AVAILABLE ON  
**wool.com**