

# ANNUAL REPORT 2024-25

Australian Wool Innovation's mission is to enhance the profitability, international competitiveness and sustainability of the Australian wool industry.



# CONTENTS

## UP FRONT

Our purpose and goal	3
About your company	4
2024–25 highlights	6
Chairman’s report	7
Summary statistics 2024–25	8
CEO’s report	9
Collaboration	10
Sheep Production	12
Consultation	16
Industry Development	18
Marketing	20
Market Analytics	22
Corporate Services	24
AWI Board of Directors	26
Corporate governance statement 2025	28
Balanced portfolio and priority alignments	32
Strategic priorities	33
Australian Government’s R&D priorities	34

## FINANCIAL REPORT

Directors’ report	36
Auditor’s independence declaration	39
Consolidated statement of comprehensive income	41
Consolidated statement of financial position	42
Consolidated statement of changes in equity	43
Consolidated statement of cash flows	44
Notes to the financial statements	45
Directors’ declaration	67
Independent auditor’s report to the members of Australian Wool Innovation Limited	68
Report on compliance with the SFA	70

## APPENDICES

Project list 2024–25	74
Performance principles	78
Performance against Annual Operating Plan targets	80



# OUR PURPOSE



To enhance the profitability, competitiveness and sustainability of the Australian wool industry through research, development, extension and demand creation.

# OUR GOAL



A thriving Australian wool industry.



# ABOUT YOUR COMPANY

**AWI is the R&D and marketing organisation of the Australian wool industry.**

## WHAT AWI DOES

Established by the Australian Government in 2001, AWI is the research, development (R&D) and marketing organisation for the Australian wool industry.

The company invests through the global supply chain for Australian wool – from woolgrowers through to retailers, the use phase and ultimately end-of-life.

AWI is not a peak industry body, does not create or execute industry policy, and is not an advocate on issues outside its core functions.

AWI works with the Australian Government through legislation (the *Primary Industries Levies and Charges Disbursement Act 2024*), regulations and an agreement between AWI and the Australian Government called the Statutory Funding Agreement that defines the conditions under which AWI may invest wool levies and Government-matched funds.

## HOW AWI IS FUNDED

AWI investments are funded primarily through a wool levy paid by Australian woolgrowers. The Australian government is the single largest contributor though a matched contribution for eligible R&D activities, capped at 0.5% of the gross national value of wool production. The sale of Woolmark licences is one of the other sources of income for AWI.

See page 8 for a financial summary of the company's income and expenditure.

Woolgrowers vote every three years on the percentage of the sale price received for their greasy wool that they would like to invest in industry R&D and marketing activities. In WoolPoll 2024, woolgrowers voted in favour of a 1.5% levy. The next WoolPoll vote is in 2027.

## AWI SHAREHOLDERS

AWI had 16,306 shareholders at 30 June 2025. AWI shareholders are able to shape the decision-making process of the company via their access to information and can vote at AGMs.

AWI shareholders are entitled to one vote for every \$100 of wool levy paid in the three financial years before any vote.

The number of shareholders eligible at 30 June 2025 to vote at the AGM is 14,978. Each of those shareholders has paid \$100 or more in wool levies in the past three financial years. This was a decrease of 927 eligible shareholders during the past 12 months.

A share in AWI is not tradeable and is of no capital value.


## WOOL LEVY PAYERS

AWI works on behalf of all wool levy payers, not just AWI shareholders. There were 81,625 wool levy payers at 30 June 2025.

Paying wool levies does not make the levy payer automatically a shareholder of AWI – they must apply. Levy payers who are not already an AWI shareholder can contact the AWI share registry at MUFG Corporate Markets on 1800 113 373 (free call) to enquire about becoming a shareholder.

At 30 June 2025, there were 39,714 wool levy payers that had paid \$100 or more in levies in the past three years and so were eligible to become an AWI shareholder.





Woolgrowers are at  
the heart of everything  
that AWI does.



# 2024-25 HIGHLIGHTS

## SHEEP PRODUCTION

A benefit-cost analysis showed that pregnancy scanning and optimal ewe management deliver a 400% return on investment, averaging \$5.55 profit per ewe scanned.

The AWI-supported School Merino Wether Challenges engaged over 3,000 students from more than 160 schools.

## CONSULTATION

The Lifetime Ewe Management (LTEM) 9 project supported the graduation of 1,004 participants and contributed to the development of the Train the Trainer course.

## INDUSTRY DEVELOPMENT

A total of 54 retail training workshops were delivered to 48 brands globally, reaching more than 1,430 retail staff.

Woolmark Learning Centre course completions reached 2,325, +18% YoY. Top participation from Australia, Italy, India, Japan, and the UK.

## WOOLMARK+

Launched in September 2024, the Woolmark+ roadmap includes 13 science-backed programs to help woolgrowers manage natural assets and accelerate nature positive outcomes for the wool value chain.

## MARKETING

Strategic partnerships with 13 top global fashion brands boosted wool's visibility and consumer engagement in key markets and categories.

Woolmark's 2024 China Campaigns saw +20% more brands, +34% more wool products, +15% sales growth during TMALL Wool Week, +67% during Double 11, and a +14% lift in wool units sold.

# CHAIRMAN'S REPORT

JOCK LAURIE

**AWI works on behalf of all Australian woolgrowers to help create a thriving Australian wool industry by investing in research, development, extension and demand creation.**



The history of Australian wool mirrors that of Australia itself, playing a major role in the development of both the country and its character. Australian farmers have adapted, thrived and made great advancements in wool production over the past two hundred years, and today they are justifiably proud of the tradition of excellence they have inherited. Australian wool is a unique, premium, natural fibre that is renowned for its quality.

As with many industries across the world, the Australian wool industry has been affected by challenging global economic conditions during the past year and, until recently, a run of poor seasonal conditions in many areas. Despite these challenges, the Australian wool industry continues to be the preeminent supplier of quality wool to the global apparel and textile industry.

As the Australian wool industry's R&D and marketing organisation, AWI aims to contribute to a successful and sustainable wool industry. The industry operates in a dynamic and competitive global market. This year, we have focused on taking advantages of opportunities including the market trend towards sustainable fibres, the increasing use of Merino wool as a high-performance fibre, the growing interest in the provenance of products, and new product innovations such as wool footwear.

We have also invested in the on-farm research and extension that woolgrowers have told us is important to them, such as improved sheep health and welfare, optimal reproductive performance, genetics, modern wool harvesting, new technologies to increase productivity, and attracting and retaining young people in the industry.

For generations, woolgrowers have shown how the Australian rural landscape can be managed effectively while protecting the natural environment, supporting rural communities, and today meeting the needs of increasingly environmentally-aware customers. We face challenges, especially in western markets, but we have been instrumental and successful this year in putting the case for wool to policymakers in the European Union. We have also launched the Woolmark+ roadmap

this year to help woolgrowers and supply chain partners work together to accelerate the wool industry's transition to a nature positive future.

Woolgrowers are at the heart of everything AWI does, and we have been very active this year listening to and communicating with woolgrowers. AWI staff or Board members attended and provided support to more than 170 wool industry events across Australia during the year. More formally, AWI continues to consult and engage with woolgrower representative groups through the Woolgrower Industry Consultation Panel (WICP) and the Woolgrower Consultation Group (WCG), both of which have been very effective.

The company's new three-year strategic plan was developed and guided by input from woolgrowers and these consultation forums, building on the R&D and marketing results we have already achieved. This new plan was also shaped by the result of WoolPoll and the financial circumstances of the company which are challenging.

AWI maximises the investment of Australian woolgrowers and the Australian Government's funds by collaborating with industry participants on-farm and throughout the supply chain. This makes AWI investments more efficient and effective by reducing duplication, enabling knowledge sharing, maximising leverage, and providing a greater platform for adoption. AWI operates in a lean and efficient manner, maximising value for woolgrowers.

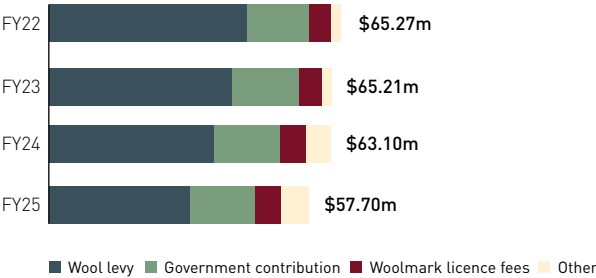
As a woolgrower and as the Chairman of AWI, I am very proud of AWI's R&D and demand creation investments in 2024-25 and I am confident the company can achieve even more for Australian woolgrowers into the future.

A handwritten signature in black ink, appearing to read 'J. Laurie'.

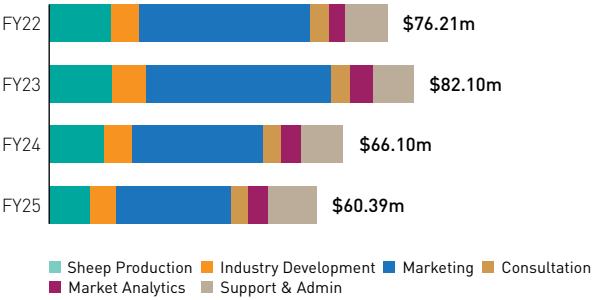
**Jock Laurie – Chairman**  
Australian Wool Innovation  
21 August 2025

# SUMMARY STATISTICS 2024-25

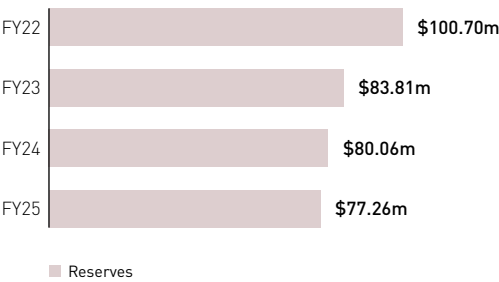
## AWI revenue



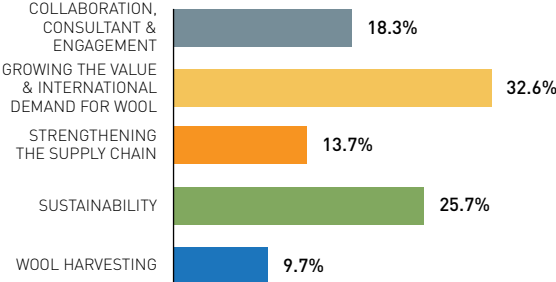
## AWI expenditure by portfolio



## AWI reserves



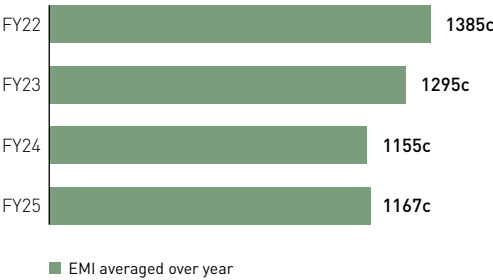
## AWI expenditure by priorities



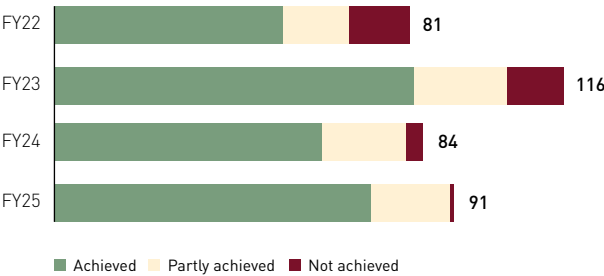
## Australian wool production



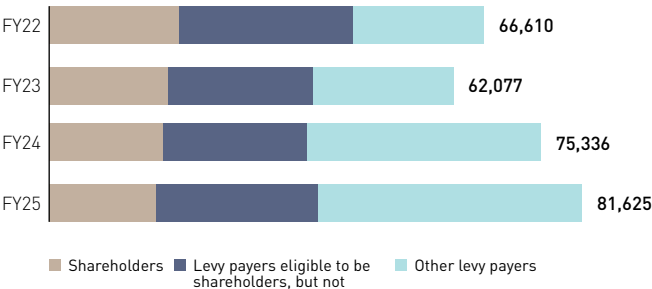
## EMI



## AWI KPIs



## AWI shareholders/levy payers





# CEO'S REPORT

JOHN ROBERTS

**As the R&D and marketing organisation for the Australian wool industry, AWI has been able to achieve of its goals this year despite the challenging economic environment for woolgrowers and the company.**



AWI projects had positive results for woolgrowers in 2024–25. The company achieved more than 80% of its annual targets, with all but one of the remaining targets close to being achieved. These results were attained despite dwindling reserves and falling revenue that constrained the company to reduce its expenditure by 8.6% compared to the previous year, and 26.4% compared to the year before that.

The focus of our on-farm investments has continued to be on ways to improve the productivity and profitability of wool-growing enterprises. Research projects this past year have examined, for example, ways to optimise Merino ewe survival in the lead up to, during, and after lambing; biological control methods for targeting the Australian sheep blowfly; and ways for electronic identification (eID) to help growers collect enhanced data about their flock's performance so they can make more informed decisions on farm. The Merino Lifetime Productivity (MLP) project completed its 10-year collection of more than two million data points regarding the lifetime performance of 5,700 ewes to gain deeper insights into breeding and selection methods applied at early ages.

Our extension projects to encourage the adoption of best practice management have included the research that demonstrates the value of pregnancy scanning to increase farm profitability; the launch of the AWI Repro Masterclass™ workshop aimed at lifting lifetime reproductive performance; and the six state-based AWI Extension Networks that enable growers to directly access timely and relevant information to help them make positive changes to their on-farm production and management practices.

Sustainability is an important mega-trend in trade and consumer markets and we continue to highlight wool's natural, renewable and biodegradable eco-credentials. This year, we launched the very successful *Wear Wool, Not Waste* marketing campaign that urges consumers to consider the fibre composition of a clothing product and choose wool rather than polluting synthetic fibres.

This year we launched the Woolmark+ roadmap that focuses on supporting the livelihoods of Australian woolgrowers in their role as stewards of nature.

The Woolmark+ roadmap will be delivered via a series of 13 science-backed initiatives designed to support growers as they manage their natural assets for the benefit of their businesses and the environment.

The proposed environmental labelling on apparel products for sale in the European Union (EU) that threatened to disadvantage Australian wool was deferred this year, and AWI and other natural fibre organisations continue to defend natural fibre products in upcoming EU textile sustainability policies.

To grow demand for Australian wool products, Woolmark this year again partnered with leading brands from across the world to carry out successful collaborative marketing campaigns in key, lucrative markets. We educated the textile trade and students about the benefits of wool and the latest product and processing developments with the fibre – this has taken place at international trade shows, industry development centres, retail training sessions, face-to-face meetings, and through our online Woolmark Learning Centre.

This year, we carried out more than 75 wool product and processing developments spanning early-stage processing, textile and garment construction, dyeing & finishing, and applied treatments. We have focused on both established and emerging markets across areas including luxury and casual apparel, activewear, workwear and uniforms, footwear, interiors, and automotive textiles – all with a strong emphasis on sustainable solutions.

I am very proud of what AWI has achieved this past year and I anticipate even more progress from the company long into the future, for the benefit of Australian woolgrowers.

A stylized, handwritten signature in black ink, consisting of several fluid, connected strokes.

**John Roberts – CEO**  
Australian Wool Innovation  
21 August 2025

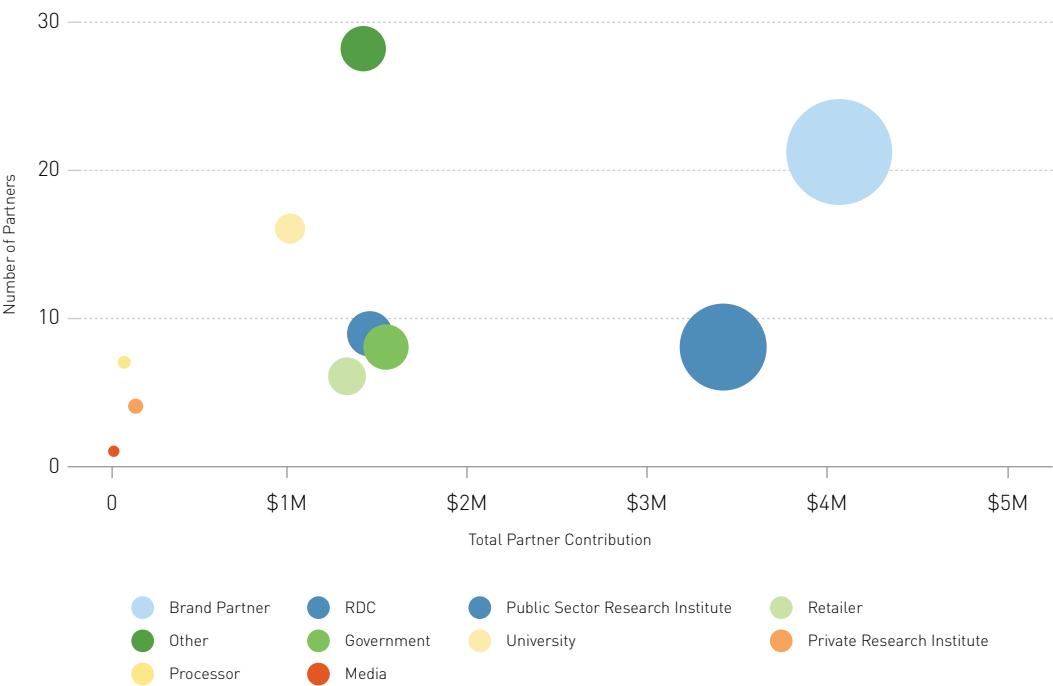
# COLLABORATION

AWI maximises the investment of Australian woolgrowers and the Australian Government's funds through pursuit of collaborative opportunities with industry participants on-farm and throughout the supply chain. This enables effective sharing of knowledge, efficient investment of funds and a greater scope of activities. Through collaboration with Research & Development Corporations, public and private research organisations, brand partners, manufacturers, producers and retailers, AWI leverages greater funds to invest in activities that deliver value to Australian woolgrowers. Where possible, AWI pursues collaborators in projects for both cash and in-kind (goods, time and knowledge) contributions to deliver greater benefits to Australian woolgrowers and broader stakeholders.

The graph below shows the number of projects that were collaborative in nature and the type of organisations. It also shows the projects with the total partner contributions.

Some examples of our partner collaborations are highlighted below:

- Brand Partners: Tod's, TaylorMade, Circle Sportswear, Mizuno, Rakumba, and others.
- Retailers: Saks, Musinsa, Rakuten, Naturokompaniet, Lafayette 148 NY, Reliance, TMALL, ICICLE, and others.
- Rural Research & Development Corporations: AWI collaborated with 9 RDCs, which included Meat & Livestock Australia, Dairy Australia, AgriFutures, Australian Eggs, and others.
- Universities: The University of Melbourne, The University of Western Australia, Murdoch University, Stellenbosch University, Deakin University, and others.





- Government: Australian Research Council, Department of Agriculture, Fisheries & Forestry (DAFF), NSW Department of Primary Industries and Regional Development, Department of Primary Industries and Regional Development WA, and others.
- Public and Private Sector Research Institutes: CSIRO, Animal Health Australia, SARDI, PIRSA, and others.
- Others: Australian Wool Testing Authority (AWTA), International Wool Textile Organization (IWTO), SA Stud Merino Breeders, Australian DOHNE Breeders, Beef + Lamb New Zealand, Mohair RSA, and others.

## AWI COLLABORATORS ACROSS THE SUPPLY CHAIN

AWI delivers value by building new and strengthening existing partnerships across the supply chain. In the 2024–25 financial year, AWI established and maintained 150+ partnerships with various parties that operate both locally and globally. Below is a selection of some of them.



# SHEEP PRODUCTION



The team at 'Ejanding' near Dowerin in the Central Wheatbelt of WA with University of Sydney researchers involved in the 'Predictors of AI Success' trial.

**23,481** engagements with AWI's wool harvesting resources (+17% YoY).

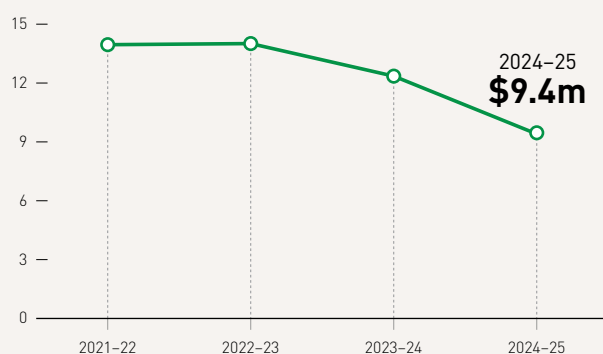
Field validation of blowfly suppression using Sterile Insect Technique was refined and prepared for broader testing.

Prototype testing of a bio-based fleece removal method progressed, with key formulations shortlisted based on safety and wool quality trials.

New genomic data from the Merino Genomic Reference Flock identified traits linked to breech flystrike resistance, improving evaluation tools.

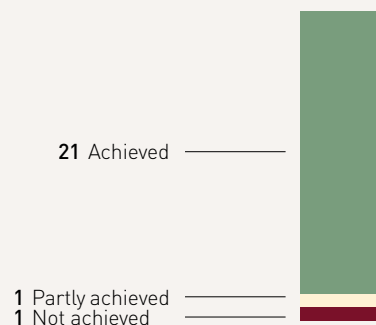
**Portfolio objective:** Increase the productivity of sheep, land and the efficiency on use of inputs and resources whilst enhancing Australia's reputation for sustainability.

## INVESTMENT OVER TIME



## ANNUAL PLAN TARGETS

**23 targets**



See Appendix C for complete list of performance against Annual Plan targets.



## PORTFOLIO HIGHLIGHTS OF 2024–25

### Non-chemical flystrike control projects

AWI this year co-invested in a range of biological control methods for targeting the Australian sheep blowfly with the aim to minimise the risk of flystrike while also having low residue and reduced environmental impacts. These projects include (1) the release of millions of sterile male blowflies on Kangaroo Island in South Australia to see whether they will suppress the blowfly reproduction rate and population, (2) the use of nanotechnology to develop a tea tree oil biopesticide that provides prolonged, safe and residue-free flystrike protection, (3) the development of a more effective and potent way of trapping sheep blowflies so that blowfly populations can be suppressed in wool-growing areas of Australia and, (4) research to identify genes and proteins that could be used in the development of future blowfly control strategies, including novel targets for new insecticide chemistries or biological interventions.

### Optimising Merino ewe survival at lambing

An AWI co-funded four-year project with MLA is aiming to help optimise Merino ewe survival around the time leading up to and after lambing. The project involves a team of researchers, veterinarians and consultants working with Merino producers across key Australian wool-producing regions to investigate the pattern of Merino ewe mortality, trial practical intervention strategies to reduce it, and develop best practice management extension material to help producers optimise their ewes' survival.

### Increasing adoption of pregnancy scanning

A benefit-cost analysis funded by AWI and MLA shows that pregnancy scanning for multiples and implementing optimal management of ewes based on their reproductive status provides sheep and wool producers with a 400% return on investment, with the profit averaging \$5.55 per ewe scanned. AWI and MLA this year produced new extension material that clearly demonstrates the value of pregnancy scanning to increase farm profitability, and aims to encourage greater sheep producer adoption. The extension material also explains what's involved with pregnancy scanning and how to best manage ewes once they have been scanned.

### Setting up for reproductive success

AWI launched a new half-day workshop for woolgrowers, AWI Repro Masterclass™, that is a one-stop-shop for the latest research, benchmarks, targets and tools for all things repro. The workshop focusses on improving reproductive performance and important management practices throughout the annual ewe reproductive cycle. As well as learning about the importance of balancing enterprise priorities, the workshop covers the fundamentals of ram health and performance, conception rates, managing weaners to first joining, making the most of pregnancy scanning, joining ewe lambs, managing twin- and triplet-bearing ewes, optimising lamb survival, year-on-year improvement, and more.

### Unlocking the productivity potential of eID

Mandatory electronic identification (eID) has been introduced by government so that animals can be traced quickly and more easily during a disease outbreak. However, a new five-year project funded by AWI and MLA aims to raise awareness amongst sheep and wool producers of the opportunities for using eID to improve their on-farm productivity and profitability. Using eID to identify a sheep's level of production – such as fertility, weight, and wool traits – and the return that each individual animal contributes to their business can enable woolgrowers to make more informed management decisions when it comes to, for instance, culling and breeding, thereby increasing profitability.

### Merino Lifetime Productivity project

This 10-year project aims to better understand how current selection approaches relate to lifetime performance and to learn more about the genetics and economic interactions, across a diverse range of Merino types delivering high quality wool, lambs and meat through life. A full suite of sheep assessments, comprising more than two million data points, have been taken at five sire evaluation sites located across Australia, with analysis of the unique and extensive dataset now underway. The results will be used to enhance existing Merino breeding and selection strategies, for both ram sellers and buyers, to deliver greater lifetime productivity and woolgrower returns.

### **Predicting success in artificial insemination**

New research has determined the critical factors that influence the probability of pregnancy following the laparoscopic artificial insemination (AI) of sheep. A team at University of Sydney investigated the effect of male and female factors on the variability of successful AI programs within the Australian Merino industry over the 2021, 2022 and 2023 seasons. Analysis of the results has been completed with the results published this year indicating there are six factors that significantly influence the likelihood of pregnancy occurring.

### **Improving on-farm environmental practices**

A recent AWI-funded project provided practical guidance for woolgrowers looking to improve their environmental performance without sacrificing productivity or profitability. The project explored several key components of nature positive agriculture, and found that (1) pasture species, not species diversity, increased sward production, (2) cell grazing increased pasture growth and soil carbon, and (3) historical soil organic carbon is an important consideration. The project was led by the Tasmanian Institute of Agriculture as part of the Carbon Storage Partnership.

### **Satellite imagery to measure on-farm natural capital metrics**

A two-year collaborative project co-funded by AWI has been launched to help Australian woolgrowers more easily and cost-effectively provide high-quality environmental data about their farm to the supply chain. The groundbreaking project aims to leverage advanced satellite imagery to consistently and efficiently measure on-farm natural capital metrics such as ground cover, tree cover, shade and shelter, and greenhouse gas sequestration. It is anticipated that, once validated and implemented, the new technology will be applicable across a wide range of geographic areas and farming systems.

### **TIMERITE® tool updated with new functionality**

The TIMERITE® tool, which woolgrowers can use to find the best spray date for the control of redlegged earth mites in their pastures, was updated to reflect new data and improved modelling. The updated tool also now provides an ideal spray window during

which spraying results will be at least 95% as good as the best spray date, thereby providing woolgrowers with more flexibility. The new tool is a lot easier to use because growers now only need to input the postcode of their property.

### **New guide to saltbush-based forage systems**

AWI and MLA published a new guide to help sheep and wool producers establish and utilise saltbush-based forage systems in southern Australia to fill feed gaps and make unproductive agricultural land more profitable. The release of the guide follows the completion of the four-year 'No more gaps with superior shrub systems' project which was led by CSIRO and co-funded by AWI and MLA. During the project, the research team delivered project and extension messages at 48 events to 1,040 producers and 1,028 extension agents, scientists and other industry members. The team also produced numerous extension products – and this new guide is the latest.

### **School Merino Wether Challenges**

School Merino wether competitions are held in all six states across the country, this year educating more than 3,000 high school students about the commercial production of Merino sheep. The students gain a broad range of 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. There were more than 160 schools across the country involved in the AWI-supported initiative this year.

### **Multipronged approach to improving wool harvesting**

AWI this year continued its multipronged approach to improving wool harvesting. Of note, AWI funding of shearing and wool handling training courses has helped attract and retain new entrants into the wool harvesting industry and increase workers' productivity, skills and professionalism. Also of note, the University of Adelaide has made strong progress in AWI's biological wool harvesting project to identify the most effective biological agent to create a weakened zone at the base of the wool fibre. Researchers are now analysing promising candidate agents to determine which, if any, are most suitable for this role.



With the support of AWI, the Hay Inc Rural Education Program in the Hay district of NSW continued to help young people aged 18 to 25 years gain hands-on agricultural skills and experience.





WICP met five times and WCG met twice in the year, enhancing two-way consultation with grower bodies and aligning on industry priorities and investments.



# PORTFOLIO HIGHLIGHTS OF 2024-25

## AWI Extension Networks

AWI's six state-based grower Networks are the company's key investment in extension and communication for the sheep and wool industries of each state. The AWI Extension Networks aim to increase the long-term productivity and profitability of woolgrowers by delivering valuable and timely on-farm information to them through workshops, webinars, newsletters, field days, social media and conferences. The Networks are instrumental in rolling out AWI workshops such as the new AWI Repro Masterclass™ (see page 13), SimpliFly™, ClassiFly™, StrateFly™, RAMping Up Repro™, Winning With Weaners™ and Picking Performer Ewes™. The AWI Extension Networks are fundamental to the spread of new ideas, continuing education, and the adoption of best practice, and all woolgrowers are encouraged to get involved. During this year, ongoing strong partnerships with woolgrowers, wool brokers, resellers, consultants, service providers and state departments of agriculture helped ensure the AWI Extension Networks continued to generate strong participation and reported benefits by woolgrowers.






## Industry events

AWI staff and/or Board members attended and provided support to more than 170 wool industry events across Australia during the year. Those events attended included field days, sheep shows, ewe competitions, ram sales, Extension Network Producer Advisory Panel meetings, and other sheep and wool industry meetings. Many of these were attended by AWI's four Industry Relations Officers – based in regional New South Wales, South Australia, Victoria, and Western Australia – who manage AWI's on the ground relationships and engagement with woolgrowers and wool industry networks.

## AWI communications

- *Beyond the Bale* magazine was posted quarterly direct to an average of 14,835 Australian woolgrowers and wool industry stakeholders, and the related *Beyond the Bale* e-newsletter was emailed to an average of 8,579 recipients each quarter.
- The AWI Woolgrower Newsletter was emailed monthly to an average of 8,298 recipients.
- The Wool.com website received 334,714 visits during the year.

- AWI social media channels, with respective followers at 30 June 2025 and percentage increase during the year, were:

	12,599 followers	<b>(+13%)</b>
	8,044 followers	<b>(-%)</b>
	7,915 followers	<b>(+13%)</b>
	5,273 followers	<b>(+26%)</b>
	4,383 followers	<b>(+8%)</b>

- Nine episodes of *The Yarn* podcast were produced during the year.

## Consultation with representative bodies

AWI has two key forums through which it formally consults and engages with woolgrower representative groups, the Woolgrower Industry Consultation Panel (WICP) and the Woolgrower Consultation Group (WCG). The WICP has nine members from national woolgrower representative organisations, is led by an independent chair, and also includes representatives from the Department of Agriculture, Fisheries and Forestry (DAFF) and AWI. The purpose of this forum is to ensure a clear two-way consultation between AWI and organisational representatives through to woolgrowers. Meetings were held five times during 2024-25 (July 2024, August 2024, October 2024, February 2025, April 2025). A communique from the WICP chair summarising the proceedings of meetings are available on the AWI website. The WCG is a broader group comprising the WICP members plus 16 additional woolgrower representative organisations; it met twice during the year. The 2025-2028 strategic plan has been developed and published, guided by input from these consultation forums.

## Liaison with government stakeholders

AWI has regular and informal discussions and meetings with government officials on a range of issues. AWI aims to work productively with Federal and state government stakeholders to ensure a sufficient understanding of the wool industry, AWI priorities, and outcomes of AWI's investment priorities.

# INDUSTRY DEVELOPMENT



Australian and Indian wool industry and government representatives during the opening of the Woolmark booth at the Bharat Tex trade show in New Delhi, India, in February.

78

technical transfer initiatives with industry partners, driving innovation and technology integration.

14

international tradeshows exhibited at, driving new business leads and expanding global collaborations for Australian wool.

9,486

swatch requests from The Wool Lab during 2024–25.

660

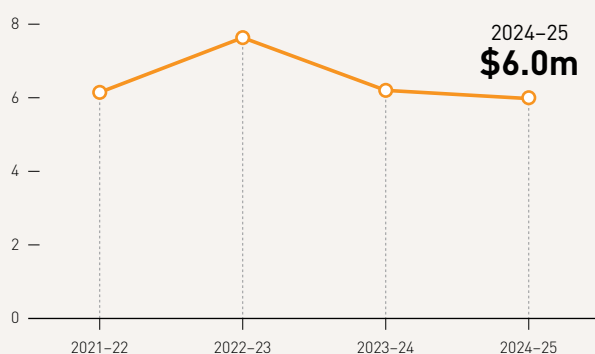
active Woolmark licensees.

6B+

Since 1964, more than six billion wool and care products have been quality-certified under the Woolmark Licensing Program.

**Portfolio objective:** Increase the profitability and sustainability of the wool processing and manufacturing supply chain and educate students, trade and retailers about the benefits of wool.

## INVESTMENT OVER TIME



## ANNUAL PLAN TARGETS

14 targets

13 Achieved

1 Partly achieved

See Appendix C for complete list of performance against Annual Plan targets.



## PORTFOLIO HIGHLIGHTS OF 2024–25

### Woolmark Certification Program

Since the logo was created in 1964, more than six billion wool and wool care products have been certified for quality through the Woolmark Licensing Program. During the 2024–25 year, the Program recorded a net increase of 52 licensees. As well as being essential to the Woolmark Licensing Program and the marketing of Woolmark-certified products by licensees across the world, the Woolmark logo is pivotal to much of the marketing that Woolmark undertakes to build awareness of the benefits of Australian wool and increase purchases of wool products by consumers.

### Retail training

Woolmark works with brands and retailers to help educate their staff about the attributes and benefits of wool. The training builds their knowledge and confidence to invest in wool product lines, and also helps the shop floor staff advise customers more effectively which increases wool purchases. The training programs continue to perform well; 54 retail training workshops were delivered to 48 brands globally, reaching more than 1,430 retail staff.

### Trade shows promote Australian wool

Woolmark exhibited at 14 of the most important international trade shows to inspire the world's leading manufacturers, brands and retailers to include Australian wool and new product developments in their upcoming collections. The trade shows provide Woolmark with an important source of leads for continual business development as well as the opportunity to support trade partners. These included Milano Unica (Italy), Preview in Seoul (Korea), Cobalt (Hong Kong), Outdoor Sports Valley (France), Functional Textiles (China), Performance Days (Germany, October & March), Japan Creation (Japan), Functional Fabric Fair (USA), Pitti Filati (Italy), Bharat Tex (India), VIATT (Vietnam) and PV Denim (Italy).

### Partnerships with global development centres

Woolmark in 2024–25 continued to partner with development centres across the world to help connect brands and manufacturers with the supply chain and thereby help build new collaborations, commercial opportunities and demand for Australian wool. The development centres during 2024–25 were:

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

### Tertiary student education

Through seminars, workshops and courses, Woolmark continued this year to foster the education and development of tertiary textile and fashion students – inspiring them 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.

### Woolmark Learning Centre (WLC)

The WLC is a free web-based hub that houses world-class education resources written by wool experts, offers learning pathways to empower and inspire the wool supply chain. 2,325 courses were completed exceeding the target by 6% and up 18% from last year – the highest on record. Leading countries using the WLC were Australia, Italy, India, Japan and the UK.

### Process and product innovation

Woolmark carried more than 75 developments spanning early-stage processing, textile and garment construction, dyeing & finishing, and applied treatments. Examples include COLOURizd™, a dry dyeing machine that colours yarn without water by injecting pigment directly into the fibre, whole-garment knitting technologies, trials with natural dyes, and non-chlorine machine-washable wool. Transfer of technologies to manufacturers and brands to strengthen industry capabilities was undertaken in both established and emerging markets across areas including luxury and casual apparel, activewear, workwear and uniforms, footwear, interiors, and automotive textiles, with a strong emphasis on sustainable solutions.

### The Wool Lab sourcing guide

Launched in June 2011, The Wool Lab is a sourcing guide featuring innovative wool fabrics, yarns, and processes from top global suppliers, designed to inspire brands' material strategies and strengthen supply chain relationships, boosting demand for wool.

In 2024–25, seven themes were released, aligned with the Spring/Summer 2026 and Autumn/Winter 2026/27 sourcing periods. These themes included category-specific focuses on sports/performance growth opportunities, knitwear, and wovens to strengthen our core business, as well as a special Wool Denim edition that highlights wool's unique properties in one of the world's most iconic textiles. The Wool Lab is also accessible on [woolmark.com](https://www.woolmark.com).

# MARKETING



Advertising in Times Square, New York, as part of Woolmark's *Wear Wool, Not Waste* marketing campaign.

68M+

Wear Wool, Not Waste: 68M+ film views (vs 36M target), global activations in Paris, London, Seattle, Austin & NYC. Campaign lifted perceptions (+29% eco-friendly, +25% fashionable, +12% brand awareness) and drove behavior (81% see wool as gentle, 63% considering wool, 75% intent to purchase).

15.7%  
GROWTH

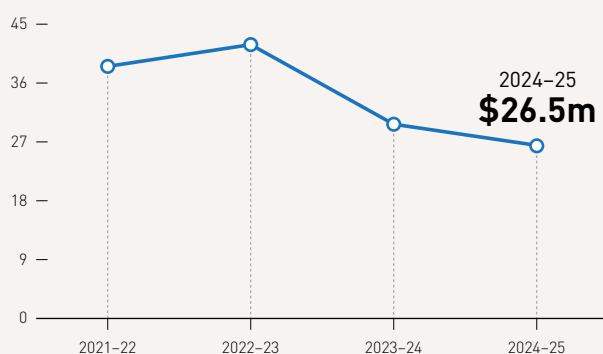
Woolmark's 2024–25 campaign with major online retail platform in Japan, Rakuten Fashion, resulted in a 15.7% lift in available wool products. Similarly, there were 118% more Merino products on Musinsa (South Korea) and a 28% sales uplift on Ajio Luxe (India).

67% YOY  
INCREASE

In China, TMALL and Double 11 campaigns delivered strong results for Woolmark in 2024–25, including 16% year-on-year growth in TMALL wool sales and a 67% spike through Double 11 brand partnerships.

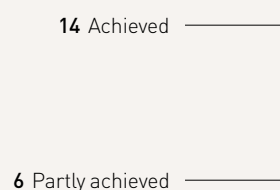
**Portfolio objective:** To continue to build demand for Australian wool by reinforcing its position in the market to ensure a sustainable future for Australian woolgrowers.

## INVESTMENT OVER TIME



## ANNUAL PLAN TARGETS

### 20 targets



See Appendix C for complete list of performance against Annual Plan targets.

## PORTFOLIO HIGHLIGHTS OF 2024–25

### Wear Wool, Not Waste eco campaign

In September, Woolmark launched an eye-catching and thought-provoking marketing campaign, titled *Wear Wool, Not Waste*, that highlighted to consumers that clothes made from synthetic fibres do not readily decompose but remain polluting the planet long after they have been discarded. Importantly, the campaign urged consumers to consider the fibre composition of a clothing product and choose wool – a natural, renewable and biodegradable fibre – when making a purchase. The hero film received more than 68 million views, exceeding its target of 36 million views. The campaign was further amplified through high-profile activations across global cities including Paris, London, Seattle, Austin and New York.

### Joint marketing campaigns

To increase sales of Australian wool products, Woolmark partners with leading brands from across the world to carry out collaborative marketing campaigns. A small selection of the campaigns in 2024–25 is listed below:

#### Asia

China's largest e-commerce platform **TMALL** promoted wool products from 4,800+ brands during an autumn/winter marketing campaign that involved a key celebrity endorsement alongside a digital, social and e-commerce component that received 267 million page views.

Japanese e-commerce fashion platform **Rakuten Fashion** promoted the wool apparel of 790 brands, with more than 2.3 million wool rich products available to purchase, an increase in volume of 15.7% from last year.

South Korean e-commerce fashion platform **Musinsa** promoted more than 750,000 Merino wool items from 88 participating brands, an increase of 118% wool products from last year.

Indian luxury e-commerce platform **Ajio Luxe** promoted wool apparel from nearly 60 brands, increasing the value of wool sales by 28% compared to last year.

Japanese sporting goods giant **Mizuno** expanded its use of Merino wool in its base-layer ranges thanks to R&D and marketing support from Woolmark, retailing 28,000 garments for the autumn/winter season in Japan.

#### Europe

The **Campaign for Wool** held its annual Wool Month during October in the UK promoting the natural and sustainable benefits of the fibre and encouraging consumers to 'Check It's Wool' when they are purchasing products.

The performance benefits of Australian Merino wool were showcased in the sailing uniforms worn by the **Luna Rossa Prada Pirelli** teams at the 37th America's Cup. The collaboration achieved a media readership of 2.2 billion and has led to global performance brands working with Merino wool in new product developments.

The Merino wool SuperNatural Runners from French brand **Circle Sportswear** were officially launched in Paris in the lead up to the Olympics, with three-time Olympic champion Marie-José Pérec as ambassador.

Italian fashion brand **Tod's** launched its inaugural Woolmark-certified collection, highlighting a commitment to craftsmanship and premium, natural materials.

#### North America

E-commerce platform for luxury fashion **Saks** increased wool sales on Saks.com by 124% compared to the campaign's previous six-week period.

Luxury womenswear brand **Lafayette 148** launched its inaugural Woolmark-certified collection comprising 32 sophisticated units crafted from Merino wool.

#### Australia

Womenswear brand **Cable** launched a 40-piece collection comprising Woolmark-certified knitwear crafted entirely from Australian Merino wool.

Australian lifestyle brand **Sportscraft** continued its long-standing relationship with Woolmark by launching an apparel collection that highlights the natural beauty of Australian Merino wool.

### International Woolmark Prize

The 2025 International Woolmark Prize fashion award and talent development program was held this year. The program continues to generate long-term demand for Australian Merino wool by increasing the knowledge of and lifetime loyalty to the fibre amongst the award's designers and alumni. Furthermore, the phenomenal interest in these awards from fashion communities and media globally has helped put wool back on the agendas of a broader range of fashion designers, manufacturers, brands and retailers, and consequently into stores for consumers to purchase.

### 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. The industry partner of the 2025 Challenge is Alpinestars, the Italian world-leading manufacturer of apparel for motor and action sports. For the 2025 competition, 237 educational institutions from 31 countries registered to take part.



# MARKET ANALYTICS



A group of ten up-and-coming members of the Australian wool industry during a study tour of China as part of AWI's Australian Future Wool Industry Leaders program.

13

AWI launched the Woolmark+ roadmap, outlining 13 science-backed programs to help woolgrowers and supply chain partners work together to accelerate the wool industry's transition to a nature positive future and communicate it to consumers.

9,623

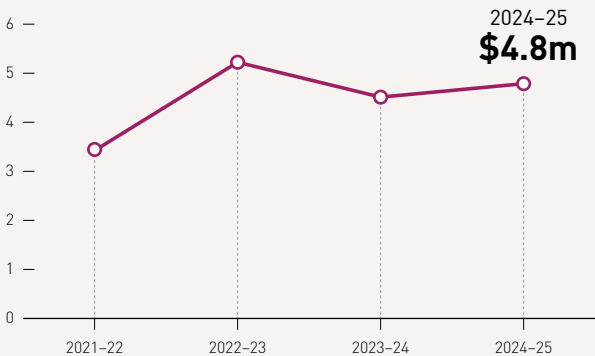
the average monthly views of the Market Intelligence section on wool.com in 2024-25, demonstrating strong and consistent engagement.

6X

AWI successfully delivered environmental footprint-compliant wool life cycle assessment (LCA) datasets now accepted in the European Commission's Product Environmental Footprint (PEF), enabling a six-fold reduction in the farming-stage impact score and making the data available for industry use.

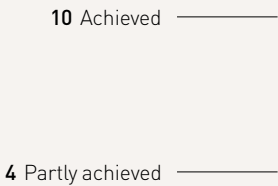
**Portfolio objective:** To provide tools to ease the flow of information about Australian wool up and down the supply chain to all parties; to communicate wool's benefits, facilitate provenance and supply chain transparency.

## INVESTMENT OVER TIME



## ANNUAL PLAN TARGETS

14 targets



See Appendix C for complete list of performance against Annual Plan targets.

### Australian Wool Traceability Hub launch

The Australian Wool Traceability Hub (AWTH) was officially launched in July. An industry owned and led initiative, the AWTH is a new and essential tool to strengthen the confidence in, reliability and efficiency of the transfer of key information within the Australian wool supply chain. As well as providing commercial traceability from farm to first stage processor, thereby ensuring the industry is set up to meet market demands, it will enable the Australian wool industry to deliver accurate and timely data to Australian wool's Emergency Animal Disease response plan.

### Market intelligence

During the year, AWI's Weekly Price Reports were distributed during sale weeks via email, SMS and on the Wool.com website. The reports include weekly EMI and WMI price movements, currency movements, the number of bales offered and sold, as well as weekly commentary from AWI on the markets. Monthly market intelligence reports were distributed via the AWI Woolgrower Newsletter and quarterly via *Beyond the Bale* magazine. During the year, three Australian Wool Production Forecasting Committee reports were issued, and AWI and MLA's joint Sheep Producer Intentions Survey of producers was conducted three times.

### Supply chain study tours strengthen Australia-China ties

Two groups of up-and-coming members of the Australian wool industry visited China this year as part of AWI's Australian Future Wool Industry Leaders program. The study tours included visits to Chinese wool processing mills; participants returned to Australia with optimism having witnessed China's high level of investment in the wool industry. A study tour of Australia for young members of the Chinese wool industry was also held this year, with participants returning to China with an increased knowledge of and appreciation for Australian wool. The tours were organised by AWI and were key outputs from a grant provided by the Australian Government's National Foundation for Australia-China Relations.

### Emerging markets

As part of its Emerging Markets Strategy, AWI has this year worked in several countries to develop 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 such as Vietnam and Bangladesh, AWI is working in Latin America to take advantage of nearshoring opportunities for North American markets, and Portugal for markets in Europe.

### Woolmark+ roadmap

Launched in September, the Woolmark+ roadmap focuses on supporting the livelihoods of Australian woolgrowers in their role as stewards of nature. It has been developed in response to increasing consumer and regulatory demands for low-impact products. The Woolmark+ roadmap will be delivered via a series of 13 science-backed initiatives designed to support woolgrowers as they manage their natural assets for the benefit of their businesses and the environment.

### AWI advocacy for wool in the European Union

Australian woolgrowers have made a difference in the European Union (EU) by raising their concerns about the shortcomings of the Product Environmental Footprint methodology that currently rates wool and other natural fibres poorly. The proposed environmental labelling on apparel products for sale in the EU that threatened to disadvantage Australian wool has been deferred. AWI and other natural fibre organisations continue to defend natural fibre products in upcoming EU textile sustainability policies.

### New odour study helps market wool

According to new AWI-funded research, wool's odour resistance not only keeps the wearer fresher for longer, it also benefits the environment because less energy is needed to launder wool garments compared to polyester or cotton garments during their use phase. The new study was led by AgResearch in New Zealand and carried out in conjunction with Consumption Research Norway (SIFO). Studies such as this one enable the wool industry to demonstrate to the fashion and textile trades, regulatory bodies, and consumers that wool is the planet-friendly fibre of choice.

# CORPORATE SERVICES



16

employees from all regions formed the Culture Committee to champion values, inclusivity, and employee engagement.

## THE KNITTY GRITTY

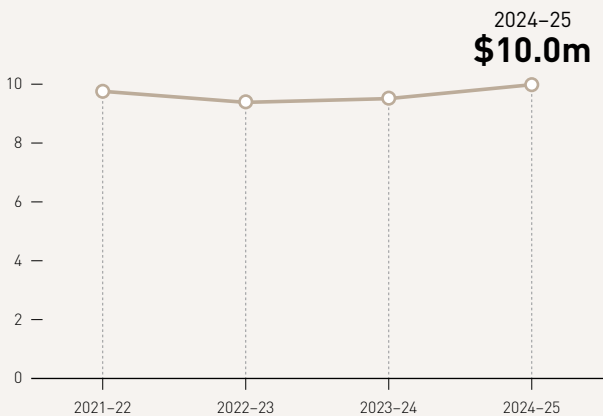
newsletter launched with positive reception, celebrating employees and sharing key People & Culture updates.

12

offices worldwide, including Australia, China, France, Hong Kong, Germany, India, Italy, Japan, South Korea, USA, Turkey and the UK.

**Portfolio objective:** To provide key expertise, compliance, governance, support, and value to the global business in the areas of financial management, legal, measurement, evaluation, people & culture, and company secretarial support including IP portfolio management.

INVESTMENT OVER TIME



ANNUAL PLAN TARGETS

14 targets



See Appendix C for complete list of performance against Annual Plan targets.



Evaluations

The Measurement and Evaluation (M&E) team carried out comprehensive internal evaluations on distinct projects: International Woolmark Prize 2023 and Mizuno, each representing a diverse array of AWI strategies. By utilising methodologies tailored to the unique activities of each project, the team ensured the assessments were both relevant and robust. This thorough approach not only provided in-depth insights into the effectiveness of the projects but also highlighted areas for potential improvement and future development.

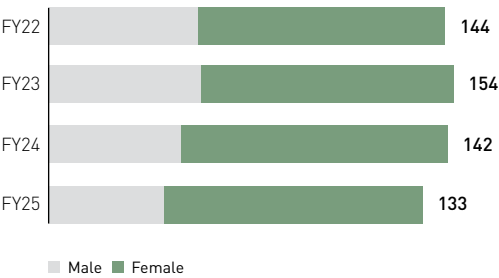
Learning and development

AWI maintained strong compliance training participation across the organisation in 2024-25, with completion rates averaging above 99%. Courses such as *Code of Conduct and Business Ethics*, *Anti-Discrimination*, and *EEO for Managers* achieved 100% completion, while others including *Respect@Work*, *Work Health & Safety*, and *Modern Slavery* recorded participation rates above 98%.

Administrative efficiency initiatives 2024-25

AWI continues to strengthen its internal systems with a focus on efficiency, transparency, and data protection. Program reporting has moved to a digital platform, and risk management processes are increasingly automated to streamline reporting. Project management tools have been refined to ensure smooth information flow from proposal to completion. AWI also maintains an electronic document management system that supports secure approvals and recordkeeping, reducing reliance on paper. Data collection functions are being progressively embedded across key platforms to support accountability and uphold data privacy standards. These ongoing enhancements reflect AWI’s commitment to continuous improvement and responsible information management.

AWI global employees



# AWI BOARD OF DIRECTORS

AT 30 JUNE 2025



## Mr Jock Laurie – AWI Chairman

Mr Laurie was first elected to the Board in November 2015, and re-elected in 2021. He was elected as Chairman of the Board in July 2021.

### Responsibilities during 2024–25:

- Audit & Risk Committee member.
- Marketing & Product Innovation Committee member.
- People & Culture Committee member.
- Research & Development Committee member.



## Ms Georgia Hack

Ms Hack was elected to the Board in November 2021.

### Responsibilities during 2024–25:

- Chair, Marketing & Product Innovation Committee.
- People & Culture Committee member.



## Dr Michelle Humphries

Dr Humphries BVSc MAICD was elected to the AWI Board in November 2019.

### Responsibilities during 2024–25:

- Chair, Research & Development Committee.
- Audit & Risk Committee member.



## Mr Neil Jackson

Mr Jackson was elected to the AWI Board in November 2023.

### Responsibilities during 2024–25:

- Research & Development Committee member.



## Mr Don Macdonald

Mr Macdonald was elected to the Board in November 2017, and re-elected as a director in 2021.

### Responsibilities during 2024–25:

- Chair, People & Culture Committee.
- Research & Development Committee member.



### Mr George Millington

Mr Millington was elected to the AWI Board in November 2023.

#### Responsibilities during 2024–25:

- Chair, Audit & Risk Committee.
- Marketing & Product Innovation Committee member.



### Ms Emma Weston

Ms Weston was elected to the AWI Board in November 2023.

#### Responsibilities during 2024–25:

- Audit & Risk Committee member.

For all Board of Directors biographies, see [wool.com/directors](https://www.wool.com/directors)

## COMMITTEES OF THE AWI BOARD

The Board has four standing committees that monitor and guide specific activities. These committees assist the Board to effectively implement, monitor and enforce appropriate corporate governance throughout the Company.

### Audit & Risk Committee

Chaired by George Millington

This committee provided guidance and recommendations to the Board and the CEO to assist in fulfilling their responsibilities relating to risk, accounting, reporting and compliance practices of the Company.

### Marketing & Product Innovation Committee

Chaired by Georgia Hack

The committee provided advice and oversight of AWI's extensive Marketing activities. This also included oversight of the Product Innovation, Education & Extension portfolio to develop strategies to enlist greater engagement and collaboration with marketing of Australian wool.

### People & Culture Committee

Chaired by Don Macdonald

This committee provided guidance and recommendations to the Board and the CEO in matters pertaining to recruitment and retention of employees and policies governing remuneration for current and potential employees.

### Research & Development Committee

Chaired by Michelle Humphries

This Committee was established to provide guidance and recommendations to the Board and CEO regarding the scientific and research policies of the Company and on the conduct of programs relating to activities undertaken by the Company that utilise science or impact animal welfare activities.

### Company Secretary

The Company Secretary is Ms L Meadley (BA (Hons), Grad Dip Law, Grad Dip Legal Practice (College of Law, Sydney), Grad Cert TM Law & Practice. Ms Meadley was appointed as Company Secretary and General Counsel in 2022. Ms Meadley is a commercial lawyer with more than 15 years' international experience working in top tier firms and in-house both in Australia and overseas.



# CORPORATE GOVERNANCE STATEMENT 2025

## GOVERNANCE PRINCIPLES

The main provisions governing the activities of AWI are:

- legislation applicable to AWI including the *Primary Industries Levies and Charges Disbursement Act 2024* (Cth), the *Primary Industries (Customs) Charges Act 2024* (Cth) and the *Primary Industries (Excise) Levies Act 2024* (Cth);
- other legislation applicable to both companies and not-for-profit entities;
- the Statutory Funding Agreement with the Commonwealth whereby AWI receives certain funding as the designated research body for the wool industry; and
- its Constitution.

The Board is committed to governance systems that enhance performance and ensure AWI operates legally and responsibly on all matters and maintains the highest ethical standards.

AWI's governance framework meets the best practice guidelines in the ASX Corporate Governance Principles and Recommendations (Principles and Recommendations) in implementing a corporate governance framework. While AWI is not a listed company, it uses these Principles and Recommendations as guidance in its governance practices to the extent that they are reasonably applicable to AWI's circumstances as a not-for-profit entity with charitable objects to act in the best interests of Australian woolgrowers.

## BOARD FUNCTIONS AND RESPONSIBILITIES

Key functions and responsibilities for the Board are set out in the Board Charter. The board charter specifies board responsibilities including general oversight

of AWI; governance; risk management; people and remuneration; Chairperson responsibilities and communication with shareholders. Operational matters delegated to the CEO are delineated.

There are four standing sub-committees being:

- Audit and Risk Committee;
- Research Development Committee;
- People and Culture Committee;
- Marketing and Product Innovation Committee

There is also a Board Nomination Committee which is convened in director election years.

## BOARD NOMINATION COMMITTEE

The Board Nomination Committee has three external members who are specifically described in the Charter for this Committee and two incumbent board directors. The composition of the committee is as follows:

- A Chair independent of the wool industry and independent from AWI. The Chair is sourced after an executive search and selected by the BNC itself;
- Two independent non-executive Directors of the Company (other than the Chair of the Company);
- One representative of the wool industry independent from the Company, nominated by the Wool Industry Consultation Panel;
- One representative from an international executive search firm, appointed by the incoming members of the Board Nomination Committee.

## CORPORATE GOVERNANCE DOCUMENTS

AWI's corporate governance documentation is available on the AWI website at [wool.com/governance](https://www.wool.com/governance) and includes:

- AWI Constitution
- Board and Company Diversity Policy
- Board Charter
- Board Nomination Committee Charter
- Charter of the Committees of the Board
- Code of Conduct and Business Ethics
- Communications Strategy
- Corporate Governance Statement
- Policy dealing with Equal Opportunity, Anti-Discrimination, Harassment, Victimisation and Bullying and Grievance Procedures.
- Risk Management Appetite Statement
- Rules and Procedures Governing the Election of Directors
- Statutory Funding Agreement
- Whistleblower Policy.

AWI continues to review and develop these documents on a regular basis to ensure they remain relevant to the Company and encapsulate the high standards the Board and management are committed to achieving.

## BOARD EFFECTIVENESS

The 2025 annual review of Board performance was carried out with the assistance of an external governance adviser. This review, which included a review of the skills of Directors on the Board, found:

- The Board is discharging its duties effectively, providing the level of oversight required to protect the interests of AWI and its shareholders.

- Risk management continues to be the key strength. There is a systematic approach to risk management which is working effectively. Control systems are in place and working to ensure legal compliance and protection of AWI against fraud and reputation risk.
- Stakeholder relationships is one of the highest scoring categories, which is reflective of the efforts to improve relationships with all stakeholders. Nevertheless, there remain opportunities to improve communications with growers.
- Board Committees deliver the outcomes required. Nevertheless, involvement of all directors in all committee meetings, while having the advantage of keeping everyone well informed, is not the most efficient use of resources. Changes aimed at better utilising Directors' time were discussed and consideration was given to trialling a new approach following feedback from the workshop.
- The Board has the collective skills and knowledge required to be able to fulfil its responsibilities. Technology Transfer and Commercialisation, International Trade and Market Development and Public Policy and Administration could be strengthened. These areas could be addressed through ongoing director learning initiatives.

## AWI BOARD SKILLS MATRIX

The core skill areas are reviewed annually by the Board, with the assistance of the external governance adviser, as a part of the process for evaluating the performance of the Board, its committees and directors. The 2025 review included a self-assessment and external review of the skills and experience for each director.

The Skills Matrix on the next page shows the Board's collective skill levels in the nominated skills. The review shows that one skill area

## CORPORATE GOVERNANCE STATEMENT 2025 (CONTINUED)

### 2025 AWI Board Skills Matrix

The wool industry – on & off farm	4.29
Stakeholder relationships	4.14
Corporate governance	4.14
Marketing & product promotion	4.14
Finance & risk	4.14
Leadership & culture	4.14
Evaluation of & investment in R&D	4.00
Public policy & administration	3.71
International trade & market development	3.71
Technology transfer & commercialisation	3.57

in particular, Technology Transfer and Commercialisation, could be strengthened. It was noted that this area would benefit from having targeted director learning initiatives.

#### Conclusion

The review demonstrated that the AWI Board is operating effectively and efficiently in fulfilling its obligations to its shareholders and to the wool industry. There are opportunities for improvement, as mentioned above, with regards to further improving efficiency.

Risk Management and Performance Oversight stand out as key strengths of the Board. Control systems are in place and working to protect the organisation against fraud and reputation risk and there is evidence that the legal obligations under which the organisation operates, are being met.

There is clear evidence that the collective knowledge, skills and experience of the AWI Board across the key skill categories, is at a level, which will enable the Board to continue to fulfil its responsibilities.

### INDEPENDENCE OF DIRECTORS

The Board maintains a Directors Disclosure of Interests Register which is reviewed as a standing agenda item at all Board meetings. The materiality of disclosures is assessed by the Board to determine whether they

may interfere with, or reasonably be seen to interfere with, a director's capacity to bring independent judgement to bear on matters before the Board.

All directors meet all of the criteria for independence in accordance with the ASX Corporate Governance Principles and Recommendations.


### CODE OF CONDUCT AND BUSINESS ETHICS

AWI endeavours to be recognised as an organisation committed to high ethical standards in business.

Transactions connected, directly or indirectly, to directors and officers may occur in the ordinary course of AWI's business since the Board includes members actively involved in the wool industry.

AWI has a Code of Conduct and Business Ethics to ensure decisions are made in an ethical and responsible way without being influenced by improper considerations, and to ensure that AWI's contracts are at arm's length commercial terms and consistent with AWI's legal obligations.

The Code is available on AWI's website at [wool.com/governance](http://wool.com/governance)

A full-page photograph of a woman with long, wavy blonde hair standing in a field of sheep. She is wearing a long, black, off-the-shoulder coat over a light blue, ribbed, off-the-shoulder dress. The sheep are in the foreground and background, some in motion, creating a sense of a busy farm environment. The background shows a line of trees and a clear sky. The lighting is warm, suggesting late afternoon or early morning.

Australian brand Cable launched in May a new Woolmark-certified Heritage 365 knitwear collection crafted entirely from Australian Merino wool. This and other images to promote its collection were photographed by Cable at Mount Hesse in Victoria.



# BALANCED PORTFOLIO AND PRIORITY ALIGNMENTS

## BALANCED PORTFOLIO

AWI continually reviews the company’s risk appetite which can be influenced by several factors, such as the levy rate reduction, prices and workforce.

AWI seeks to balance the risk position between investing in a range of activities that may drive substantial growth in the demand for wool. AWI also organises the programs into a component mix that, when implemented, is best aligned with, and best supports the organisation’s strategic plan. The following table shows the risk and return of projects by value in each of the nine segments.

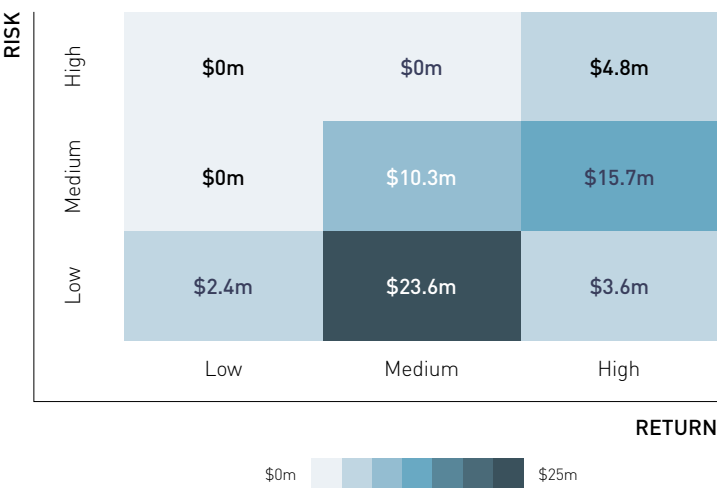


Figure 1: 2024–25 Balanced Portfolio (Financials)



## AWI STRATEGIC PLAN

Since 1 July 2025, the company has been operating under a new three-year Strategic Plan for the 2025–26 to 2027–28 financial years. The year covered by this Annual Report was the last year of AWI operating under its previous, 2022–23 to 2024–25 Strategic Plan. The key priorities for that period were:

1. Growing the value and international demand for wool
2. Wool harvesting
3. Collaboration, consultation and engagement
4. Sustainability
5. Strengthening the supply chain.

Access the Strategic Plan at [wool.com/consultation](https://wool.com/consultation)

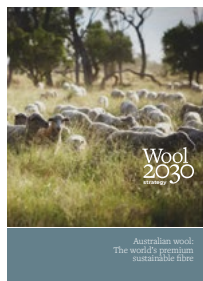
See page 8 for AWI’s 2024–25 expenditure for each of the five priorities outlined in the AWI Strategic Plan.

When developing its three-year Strategic Plan, while AWI’s R&D and marketing priorities are determined by woolgrowers through AWI’s planning and consultation cycle, the company also considers the:

- Australian Government’s R&D priorities
- Strategic plans of the broader Australian wool and agricultural industries.

This strategic alignment ensures that AWI’s investments recognise and support the priorities of the Australian Government and industry where appropriate.

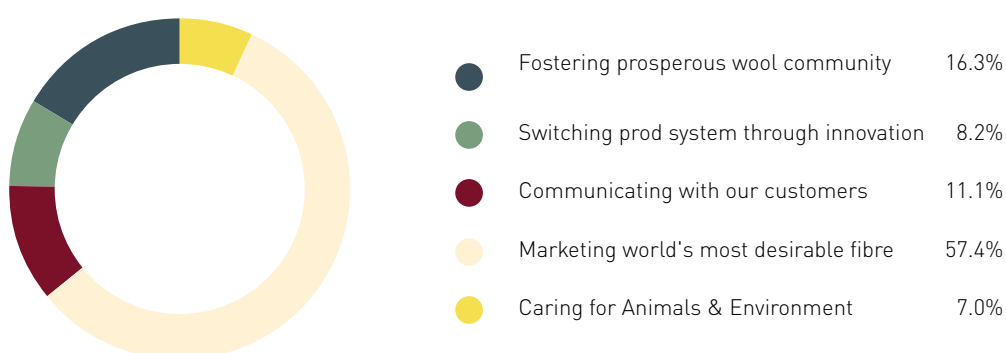
# STRATEGIC PRIORITIES



## WOOL 2030

This plan has been designed as a high-level, aspirational statement of intent and strategy for Australian woolgrowers. Oversight of the plan is provided by a Wool 2030 Steering Group comprising an independent chair and industry representatives. To access the strategy, visit [wool.com/2030](https://wool.com/2030)

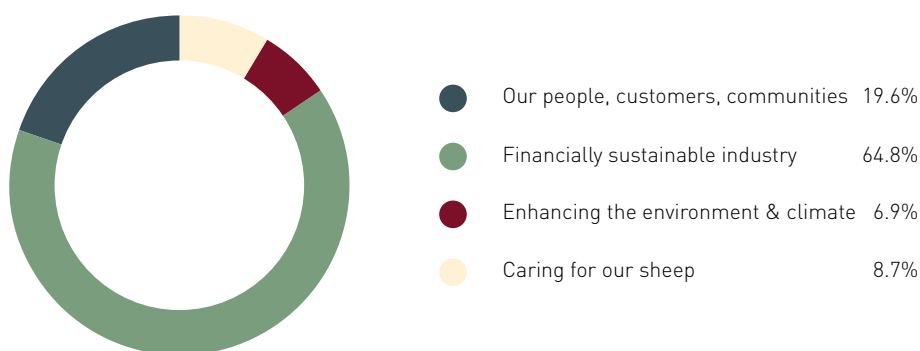
AWI aligned its projects to the pillars set out in the plan and the chart below shows the total expenditure (\$60.4m) against the five Wool 2030 pillars.



## SHEEP SUSTAINABILITY FRAMEWORK

Launched in April 2021, the function of the Sheep Sustainability Framework (SSF) is to monitor, measure, and report industry performance against sustainability priorities.

Data and trends gathered through the SSF will identify opportunities on-farm, in transport, processing, and at the customer interface where practices can be improved by both the industry and individuals. The chart below shows the total expenditure (\$60.4m) against the four pillars. To access the Framework, visit [sheepsustainabilityframework.com.au](https://sheepsustainabilityframework.com.au)

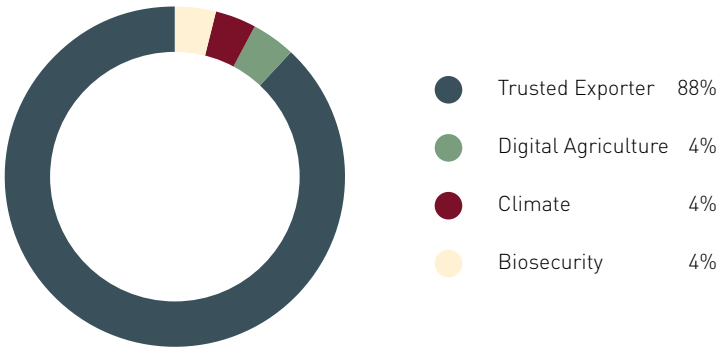


# AUSTRALIAN GOVERNMENT'S R&D PRIORITIES

## NATIONAL AGRICULTURE INNOVATION PRIORITIES

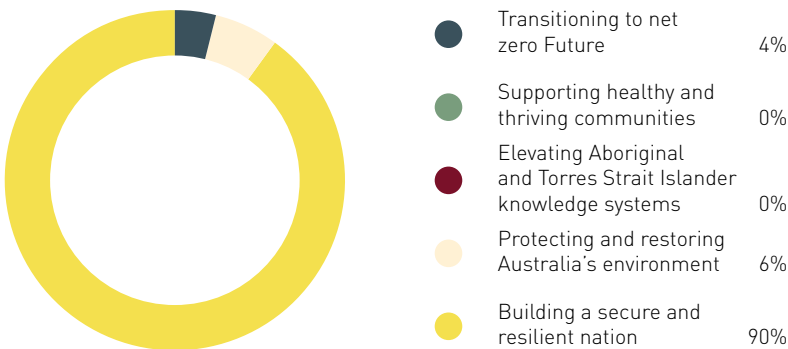
The National Agricultural Innovation Priorities were announced by the Australian Government in October 2021 as part of the National Agricultural Innovation Policy Statement. They replace the Australian Government’s Rural Research, Development and Extension (RD&E) Priorities.

See [www.agriculture.gov.au](http://www.agriculture.gov.au) for more information. The chart to the right shows the total expenditure (\$60.4m) against the priorities based on the key challenges that the Government says Australia’s agricultural innovation system needs to address by 2030.



## SCIENCE AND RESEARCH PRIORITIES

In August 2024, the Government issued revitalised National Science and Research Priorities to guide Australian science and research efforts. The chart to the right shows the total expenditure (\$60.4m) against the priorities.



## RURAL R&D PRIORITIES

PRIORITIES	EXPENDITURE (\$'000)			
	Marketing	R&D	Other	Total
Transitioning to net zero Future	–	2,222	–	2,222
Supporting healthy and thriving communities	–	96	–	96
Elevating Aboriginal and Torres Strait Islander knowledge systems	–	–	–	–
Protecting and restoring Australia’s environment	409	3,198	121	3,728
Building a secure and resilient nation	32,827	20,880	683	54,390
	33,236	26,396	804	60,436

# FINANCIAL REPORT 2024-25

Directors' report	36
Auditor's independence declaration	39
Consolidated statement of comprehensive income	41
Consolidated statement of financial position	42
Consolidated statement of changes in equity	43
Consolidated statement of cash flows	44
Notes to the financial statements	45
Directors' declaration	67
Independent auditor's report	68



# DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Australian Wool Innovation Limited (referred to hereafter as the 'company' or 'parent entity' or 'AWI') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

## DIRECTORS

The following person was director of Australian Wool Innovation Limited during the whole of the financial year and up to the date of this report:

Mr J Laurie (Chairman)  
Ms G Hack  
Dr M Humphries  
Mr N Jackson  
Mr D Macdonald  
Mr G Millington  
Ms E Weston

## PRINCIPAL ACTIVITIES

Australian Wool Innovation Limited is a Not-for-profit, registered charitable company. Its principal activity as recorded in its adopted strategic plan is to increase the profitability and support the sustainability of the Australian wool industry through strategically targeted investments in research, development and marketing designed to optimise return on investment. To achieve this mission, the Group receives funding from the Commonwealth Government of Australia by way of a statutory wool levy imposed upon Australian woolgrowers and a capped research and development matching fund contribution. Funding is also generated from revenue in respect of the Woolmark certification and ordinary trademark annual licence fees.

## REVIEW OF OPERATIONS AND RESULTS

	2025 \$'000	2024 \$'000
Revenue	57,767	63,089
Loss from continuing operations	(2,656)	(3,676)

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The company's drawdown on the company's reserves continued again this year, by \$2.7 million. This was lower than the budgeted \$6.6 million drawdown, primarily due to prudent financial management. However, the reserves are now at the lowest level for a decade. Given the limited reserves available to the company, during the next three years AWI plans to largely rely only on what it receives in revenue each year.

There were no other significant changes in the state of affairs of the Group during the year.

## MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Overall, it is not practicable to estimate the future potential impact of the unsettled global economic and trading environment, and ongoing conflict in Ukraine and the Middle East. However, it currently seems likely that the economies of most of our main retail markets will remain relatively subdued during 2025/26. A number of matters are contributing to a downsizing of the Australian clip: droughts and floods, a subdued wool market, a buoyant sheep meat market, and the phase out of live sheep exports. These issues could potentially negatively affect the company's revenue in 2025/26.

There has been no other matter or circumstance which has arisen since 30 June 2025 that has significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

AWI has a new three-year Strategic Plan for the years 2025/26 to 2027/28 which was created in consultation with woolgrowers and other stakeholders. The new Plan seeks to address key industry issues and exploit opportunities across the global supply chain for Australian wool, from woolgrowers through to consumers.

The key priorities in the Strategic Plan are:

1. Grow demand and fibre advocacy – AWI will conduct research and promote the many benefits of wool as a natural, biodegradable and premium fibre.

2. Sustainable and profitable wool-growing – AWI will invest in on-farm research and extension to drive sustainable and profitable wool-growing.

AWI programs are supported by the support and administration function enabling AWI to operate cost effectively through the efficient provision of a range of cross-company support services.

## COMPANY SECRETARY

The Company Secretary is Ms Lucy Meadley BA (Hons), Dip Law, Grad Dip Legal Prac (College of Law, Sydney), Grad Cert TM Law & Practice, GAICD.

## MEETINGS OF DIRECTORS

The numbers of meetings of the company's board of directors and of each board committee held during the year ended 30 June 2025, and the numbers of meetings attended by each director were:

Director	Meetings of committees									
	Full meetings of Directors		Audit & Risk		People & Culture		Research Development Education & Extension		Marketing & Product Innovation	
	A	B	A	B	A	B	A	B	A	B
Mr J Laurie	8	8*	8	8	7	7	8	8	8	8
Ms G Hack	8	8	–	–	7	7	–	–	8	8*
Dr M Humphries	8	8	8	8	–	–	8	8*	–	–
Mr N Jackson	8	8	–	–	–	–	8	8	–	–
Mr D Macdonald	8	8	–	–	7	7*	8	8	–	–
Mr G Millington	8	8	8	8*	–	–	–	–	8	8
Ms E Weston	8	8	8	8	–	–	–	–	–	–

A = number of meetings held during the time the director held office or was a member of the committee during the year.

B = number of meetings attended.

\* = denotes Chair as at 30 June 2025.

## DIRECTORS' REPORT (CONTINUED)

### CHAIRMANSHIP

Mr J Laurie was the Chairman of the Board throughout the year.

### INSURANCE OF OFFICERS

During the financial year, Australian Wool Innovation Limited paid a premium to insure directors and officers of the Group. The insurance policy specifically prohibits disclosure of the nature and liability covered and the amount of the premium paid.

### INDEMNITY AND INSURANCE OF AUDITORS

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

### PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

### NON-AUDIT SERVICES

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the auditor/s for audit and non-audit services provided during the year are set out in note 23.

### DIVIDENDS PAID

AWI's Constitution does not allow the company to pay any dividends.

### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 39.

### ENVIRONMENTAL REGULATION

The Group's operations are not subject to any particular or significant environmental regulations under either Commonwealth or State legislation.

### ROUNDING OF AMOUNTS

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Legislative Instrument to the nearest thousand dollars, unless otherwise stated.

### STATUTORY FUNDING AGREEMENT OBLIGATIONS

In addition to annual reporting requirements, there are further reporting requirements imposed upon the parent company under the Statutory Funding Agreement between Australian Wool Innovation Limited and The Commonwealth of Australia.

### AUDITOR

HLB Mann Judd continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors.



Mr J Laurie (Chairman)  
Director

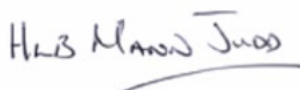
Sydney  
21st August 2025



# AUDITOR'S INDEPENDENCE DECLARATION

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of Australian Wool Innovation Limited for the year ended 30 June 2025.

This declaration is in relation to Australian Wool Innovation Limited and the entities it controlled during the year.



HLB Mann Judd Assurance  
(NSW) Pty Ltd  
Chartered Accountants

Sydney, NSW  
21 August 2025



S P James  
Director

# FINANCIAL REPORT

## - 30 JUNE 2025

### CONTENTS

Consolidated financial statements	Page
Consolidated statement of comprehensive income	41
Consolidated statement of financial position	42
Consolidated statement of changes in equity	43
Consolidated statement of cash flows	44
Notes to the consolidated financial statements	45
Directors' declaration	67

This financial report covers Australian Wool Innovation Limited as a consolidated entity consisting of Australian Wool Innovation Limited and its controlled entities as listed in note 26 to the financial report. The financial report is presented in Australian dollars.

Australian Wool Innovation Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:  
Level 3, 24 York Street  
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities is included in the directors' report on page 36, which is not part of this financial report.

The consolidated financial statements were authorised for issue by the directors on 21st August 2025. The director have the power to amend and reissue the consolidated financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the company. All press releases, financial reports and other information are available on our website: [wool.com](http://wool.com)

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

		Consolidated	
	Notes	2025 \$'000	2024 \$'000
<b>Revenue from continuing operations</b>			
Operating revenue	3	53,933	59,197
Other revenue	3	3,834	3,892
		<b>57,767</b>	63,089
<b>Other (loss)/ gain</b>	4	<b>296</b>	[453]
<b>Expenses</b>			
Marketing		(26,547)	(29,595)
Sheep production		(9,365)	(12,334)
Industry development		(6,023)	(6,247)
Market analytics		(4,780)	(4,503)
Consultation		(3,982)	(3,954)
Support & administration		(9,983)	(9,507)
<b>Loss before income tax</b>		<b>(2,617)</b>	(3,504)
Income tax expense	7	(39)	(172)
<b>Loss from continuing operations</b>		<b>(2,656)</b>	(3,676)
<b>Loss for the year</b>		<b>(2,656)</b>	(3,676)
<b>Other comprehensive income</b>			
Exchange differences on translation of foreign operations		(144)	(69)
<b>Total comprehensive loss for the year</b>		<b>(2,800)</b>	(3,745)
Total comprehensive loss for the year is attributable to:			
Owners of Australian Wool Innovation Limited		(2,800)	(3,745)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		Consolidated	
	Notes	2025 \$'000	2024 \$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	10,531	12,775
Other financial assets	9	62,189	59,700
Trade and other receivables	10	7,823	11,366
Other assets	11	625	623
<b>Total current assets</b>		<b>81,168</b>	<b>84,464</b>
<b>Non-current assets</b>			
Property, plant and equipment	12	779	904
Right-of-use assets	12	5,139	4,898
Intangible assets	13	10,000	10,000
Other assets	14	391	359
<b>Total non-current assets</b>		<b>16,309</b>	<b>16,161</b>
<b>Total assets</b>		<b>97,477</b>	<b>100,625</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	15	3,606	4,584
Provisions	17	3,918	3,747
Lease liabilities	19	1,540	1,250
Deferred income	16	6,423	6,388
<b>Total current liabilities</b>		<b>15,487</b>	<b>15,969</b>
<b>Non-current liabilities</b>			
Lease liabilities	18	3,981	3,894
Provisions	17	749	702
<b>Total non-current liabilities</b>		<b>4,730</b>	<b>4,596</b>
<b>Total liabilities</b>		<b>20,217</b>	<b>20,565</b>
<b>Net assets</b>		<b>77,260</b>	<b>80,060</b>
<b>EQUITY</b>			
Contributed equity*	19	–	–
Reserves	20	1,021	1,165
Retained surplus	20	76,239	78,895
<i>Capital and reserves attributable to owners of Australian Wool Innovation Limited</i>		<b>77,260</b>	<b>80,060</b>
<b>Total equity</b>		<b>77,260</b>	<b>80,060</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

\*As at 30 June 2024 and 2025 contributed equity in the consolidated entity was \$100.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Notes	Attributable to owners of Australian Wool Innovation Limited			Total equity \$'000
		Contributed Equity* \$'000	Reserves \$'000	Retained surplus \$'000	
<b>Balance at 1 July 2023</b>		–	1,234	82,571	83,805
Loss for the year	20	–	–	(3,676)	(3,676)
Other comprehensive income	20	–	(69)	–	(69)
<b>Total comprehensive loss for the year</b>		–	(69)	(3,676)	(3,745)
<b>Balance at 30 June 2024</b>		–	1,165	78,895	80,060
<b>Balance at 1 July 2024</b>		–	1,165	78,895	80,060
Loss for the year	20	–	–	(2,656)	(2,656)
Other comprehensive income	20	–	(144)	–	(144)
<b>Total comprehensive loss for the year</b>		–	(144)	(2,656)	(2,800)
<b>Balance at 30 June 2025</b>		–	1,021	76,239	77,260

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

\*As at 30 June 2024 and 2025 contributed equity in the consolidated entity was \$100.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	Notes	Consolidated	
		2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>			
Levy, license, government grant and other receipts (inclusive of GST)		63,131	62,333
Payments to suppliers and employees (inclusive of GST)		(64,397)	(70,100)
		(1,266)	(7,767)
Other income		3	–
Interest received		3,383	3,343
Income taxes paid	7	(39)	(172)
Lease interest paid		(245)	(258)
<b>Net cash outflow from operating activities</b>		<b>1,836</b>	<b>(4,854)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(181)	(180)
Redemption of financial assets		(2,490)	2,559
Proceeds from sale of property, plant and equipment		1	3
<b>Net cash (outflow) inflow from investing activities</b>		<b>(2,670)</b>	<b>2,382</b>
<b>Cash flows from financing activities</b>			
Lease payments		(1,145)	(1,369)
<b>Net cash outflow from financing activities</b>		<b>(1,145)</b>	<b>(1,369)</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(1,979)</b>	<b>(3,841)</b>
Cash and cash equivalents at the beginning of the financial year		12,775	16,497
Effects of exchange rate changes on cash and cash equivalents		(265)	119
<b>Cash and cash equivalents at end of year</b>	8	<b>10,531</b>	<b>12,775</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

## 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES

Australian Wool Innovation Limited (the “Company”) is a company limited by shares, incorporated and domiciled in Australia and is a Not-for-profit, registered charitable company.

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the consolidated entity consisting of Australian Wool Innovation Limited and its subsidiaries (the “Group”).

The nature of the Group’s operations and principal activities are described in the Directors’ Report.

### (a) Basis of preparation

#### *(i) Compliance with Australian Accounting Standards – Simplified Disclosures*

The consolidated financial statements of the Group comply with Australian Accounting Standards – Simplified Disclosures as issued by the Australian Accounting Standards Board (AASB).

#### *(ii) Historical cost convention and comparative information*

This financial report has been prepared under the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

#### *(iii) Going concern*

The financial report has been prepared on a going concern basis. No material uncertainty exists in its ability to continue as a going concern.

#### *(iv) Critical accounting estimates*

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *(1) Estimated impairment of the Woolmark certification trademarks*

The Group tests annually whether the value of \$10,000,000 allocated to the Woolmark certification trademarks has suffered any impairment, in accordance with the accounting policy stated in note 1(f). These calculations require the use of assumptions regarding the separately identifiable future cash inflows relating to the brand, estimates of future costs required to support the brand and discount rates.

#### *(2) Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group’s operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

#### *(3) Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.



NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (a) Basis of preparation (continued)

- (4) Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

#### (v) New and amended standards adopted by the group

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### (b) Principles of consolidation

#### (i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Australian Wool Innovation Limited as at 30 June 2025 and the results of all subsidiaries for the year then ended.

The effects of all transactions between entities in the consolidated entity are eliminated in full.

### (c) Foreign currency translation

#### (i) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Australian Wool Innovation Limited's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

#### (iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- the assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date;
- income and expenses of foreign operations are translated into Australian dollars using the average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income through foreign currency reserve in equity.

### (d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Wool levies and government grants are brought to account when received or receivable from the Federal Government. Reasonable assurance that the Commonwealth Matching Funds grant will be received occurs when the Group complies with all conditions outlined in the Statutory Funding Agreement.

Invoiced licence fees are deferred as a liability on the statement of financial position and brought to account as revenue over the period of the licence.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue for the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Revenue from the rendering of a service is recognised by reference to the stage of completion of contracts or other agreements to provide services.

Revenue for the disposal of non current assets is recognised when control of the asset has passed to the buyer.

#### **(e) Leases**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

#### **(f) Impairment of non-financial assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value

less costs to sell and value in use. As a not for profit organisation, value in use may be assessed on the basis of depreciated replacement costs for a similar asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

#### **(g) Cash and cash equivalents**

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, floating rate notes, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **(h) Other financial assets**

Other financial assets are initially measured at fair value plus transaction costs and subsequently measured at amortised cost, less any allowance for expected credit losses.

Other financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

#### **(i) Property, plant and equipment**

All assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Purchases of property, plant and equipment costing less than \$5,000 are expensed in the year of acquisition.

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (i) Property, plant and equipment (continued)

Depreciation is calculated on a straight line basis to write off the net cost amount of each item of property, plant and equipment (excluding land) over its expected useful life to the economic entity. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessment for major items. The expected useful lives are as follows:

- Buildings 10 – 20 years
- Plant and equipment 1 – 10 years
- Leasehold improvements over the lease term

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1 (f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

- Right-of-use asset

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### (j) Intangible assets

#### (i) Research and development

Research expenditure is recognised as an expense as incurred.

#### (ii) Trademarks and licences

This represents the Woolmark certification trademarks acquired by the Group. The Woolmark is well established and is expected to generate cash inflows for the Group for an indefinite period. Therefore the certification trademarks are carried at cost without amortisation, but are tested for impairment in accordance with note 1(f).

### (k) Provisions

Provisions for make good obligations and restructuring are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

### (l) Employee benefits

#### (i) Short-term obligations

Liabilities for wages, salaries and annual leave expected to be settled within 12 months of the reporting date plus overseas pension benefits are recognised in other payables and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

#### (ii) Long-term employee benefit obligations

The liability for long service leave is recognised in provisions and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

The provision for employee entitlements includes on costs of superannuation, payroll tax and workers compensation.

### **(m) Rounding of amounts**

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the consolidated financial statements. Amounts in the consolidated financial statements have been rounded off in accordance with that Legislative Instrument to the nearest thousand dollars, unless otherwise stated.

### **(n) Parent entity financial information**

The financial information for the parent entity, Australian Wool Innovation Limited, disclosed in note 29 has been prepared on the same basis as the consolidated financial statements, except investments in subsidiaries which are recorded at cost in the financial statements of Australian Wool Innovation Limited.

## **2: FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange, other price risks and aging analysis for credit risk.

Risk management is carried out by Head Office Finance under policies approved by the board of directors. Group Head Office Finance identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### **(a) Market risk**

#### *(i) Foreign exchange risk*

The Group's foreign exchange management policies include wherever possible creating natural hedges with the collection of licence income in the same currencies as the expenditure being incurred. The Group also

purchased foreign exchange contracts during the year to minimise the exposure to fluctuations in the currency markets based on a proportion of budgeted cash flows.

Forward Exchange Contracts (Derivatives) are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent adjustment in the fair value of contract is recorded in the income statement with a corresponding impact in the Forward contract asset or liability.

### **(b) Credit risk**

The Group has no significant concentrations of credit risk and credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Customers risk rating is assessed by the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal ratings and compliance with credit limits by customers is regularly monitored by management.

Australian Wool Innovation Limited's investment policy is conservative and designed to minimise principal, interest rate and currency risk.

Risk of principal amounts invested is minimised by investing the majority of available funds in deposits with Standard & Poor's ratings AAA, AA+, AA, and AA-. A maximum of 35% of funds can be invested in any individual financial institution.

Risk of loss due to adverse interest rate movements is minimised by investing in term deposits for terms per the AWI investment policy.

Wherever possible funds invested are held in Australian dollars thereby minimising any foreign exchange risk.

The Group has policies in place to ensure that customers have an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions.



NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 2: FINANCIAL RISK MANAGEMENT (CONTINUED)

### (b) Credit risk (continued)

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

### (c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and having funding available. Head Office Finance aims at maintaining flexibility in funding by keeping funds on

call and term deposits with regular rolling maturity dates. The Group manages liquidity risk by continually monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Given the cash reserves available borrowing facilities are not required.

### (d) Fair value measurement

The net fair value of cash and cash equivalents, other financial assets and financial liabilities approximate their carrying values.

## 3: REVENUE

	Consolidated	
	2025 \$'000	2024 \$'000
<b>From continuing operations</b>		
<i>Operating revenue</i>		
Wool levy	31,167	36,491
Government contribution	14,539	15,414
License fees	5,619	5,612
Royalties	1,029	1,223
Voluntary contributions	1,311	242
Sale of goods and services	208	140
Other	60	75
	<b>53,933</b>	<b>59,197</b>
<i>Other revenue</i>		
Interest revenue calculated using the effective interest method	3,278	3,475
Rental and sub-lease rental income	556	417
	<b>3,834</b>	<b>3,892</b>
	<b>57,767</b>	<b>63,089</b>

#### 4: OTHER GAIN/ (LOSS)

	Consolidated	
	2025 \$'000	2024 \$'000
Net foreign exchange gain/ (loss)	296	[453]

#### 5: EXPENSES

	Consolidated	
	2025 \$'000	2024 \$'000
<i>Depreciation and amortisation</i>		
Buildings	10	11
Plant and equipment	126	171
Leasehold improvements	73	80
Right-of-use assets	1,429	1,476
Total depreciation and amortisation	1,638	1,738
Superannuation expense	1,688	1,724

#### 6: RESEARCH, DEVELOPMENT AND MARKETING EXPENDITURE

	Consolidated	
	2025 \$'000	2024 \$'000
Marketing	26,547	29,595
Sheep production	9,365	12,334
Industry development	6,023	6,247
Market analytics	4,780	4,503
Consultation	3,982	3,954
Support & administration	9,983	9,507
Total RDM expenditure	60,680	66,140

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 7: INCOME TAX EXPENSE

	Consolidated	
	2025 \$'000	2024 \$'000
<b>(a) Income tax expense</b>		
Current tax on profits for the year	39	172
<b>(b) Numerical reconciliation of income tax expense to prima facie tax payable</b>		
Loss from continuing operations before income tax expense	(2,617)	(3,504)
Tax at the Australian tax rate of 30% (2024 – 30%)	(785)	(1,051)
Non-taxable income, tax losses and temporary differences not brought to account	887	1,215
Differences in overseas tax rates	(6)	(53)
Adjustments for current tax of prior periods	(57)	61
Income tax expense	39	172

The Group has not recognised deferred tax assets relating to tax losses or temporary differences arising from loss making operations as it is not probable that the benefits will be realised. AWI parent company is exempt from income taxes not indirect taxes.

## 8: CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	Consolidated	
	2025 \$'000	2024 \$'000
Cash at bank and in hand	10,531	12,775

Further details of cash and cash equivalents are set out in note 9.

## 9: CURRENT ASSETS – OTHER FINANCIAL ASSETS

	Consolidated	
	2025 \$'000	2024 \$'000
Term deposits	62,189	59,700
Cash and cash equivalents (note 8) and other financial assets are represented as follows:		
Unrestricted	23,438	1,708
Restricted as security against guarantees issued by the company's bankers (a)	3,050	2,579
Forward contract commitments (b)	17,354	21,404
Operating funds (c)	23,878	18,509
Emergency funds (d)	5,000	5,000
Innovation funds (e)	–	23,275
	<b>72,720</b>	<b>72,475</b>

(a) Bank guarantees have been issued to a number of parties in respect of the Company's liabilities. The Company has given its primary bankers security over term deposits in respect of those amounts, such deposits attracting commercial interest rates. For the sake of completeness these now form part of the Operating funds (c) below, the comparisons for the prior year have been restated to ensure consistency.

(b) A reserve of \$17.4 million has been created to cover contracted forward commitments.

(c) Operating funds representing twelve months of AWI operational costs are set aside to cover an unexpected cessation of levy and government contribution.

(d) The Emergency reserve is set aside to cover any contingent expenditure arising from the wool industry's obligation under the Emergency Animal Disease Response Agreement.

(e) The directors resolved in July 2022 to create an innovation reserve to have funds available to exploit opportunities outside the normal strategic plan. In March 2025, this fund was dissolved due to financial constraints.



NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 10: CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

	Consolidated	
	2025 \$'000	2024 \$'000
<b>Net trade receivables</b>		
Trade receivables	3,184	2,546
	<b>3,184</b>	<b>2,546</b>
<b>Net other receivables</b>		
Commonwealth matching funds and wool levy accruals	2,643	6,595
Other receivables	1,996	2,225
	<b>4,639</b>	<b>8,820</b>
	<b>7,823</b>	<b>11,366</b>

## 11: CURRENT ASSETS – OTHER CURRENT ASSETS

	Consolidated	
	2025 \$'000	2024 \$'000
Insurance prepayments	62	72
Other prepayments	529	523
Lease deposits	34	28
	<b>625</b>	<b>623</b>

## 12: NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT, AND RIGHT-OF-USE ASSETS

	Land and buildings \$'000	Plant and equipment \$'000	Leasehold improvements \$'000	Right-of-use assets \$'000	Total \$'000
<b>At 1 July 2023</b>					
Cost or fair value	1,066	3,386	2,292	7,036	13,780
Accumulated depreciation	(514)	(3,114)	(2,143)	(1,955)	(7,726)
Net book amount	552	272	149	5,081	6,054
<b>Year ended 30 June 2024</b>					
Opening net book amount	552	272	149	5,081	6,054
Exchange differences	–	–	3	3	6
Revaluation surplus	–	(2)	(4)	(39)	(45)
Additions	–	100	97	1,769	1,966
Disposals	–	(1)	–	(440)	(441)
Depreciation charge	(11)	(171)	(80)	(1,476)	(1,738)
Closing net book amount	541	198	165	4,898	5,802
<b>At 30 June 2024</b>					
Cost or fair value	1,066	3,154	2,077	7,910	14,207
Accumulated depreciation	(525)	(2,956)	(1,912)	(3,012)	(8,405)
Net book amount	541	198	165	4,898	5,802
<b>Year ended 30 June 2025</b>					
Opening net book amount	541	198	165	4,898	5,802
Exchange differences	–	2	5	39	46
Revaluation surplus	–	2	–	–	2
Additions	–	76	–	1,631	1,707
Disposals	–	(1)	–	–	(1)
Depreciation charge	(10)	(126)	(73)	(1,429)	(1,638)
Closing net book amount	531	151	97	5,139	5,918
<b>At 30 June 2025</b>					
Cost	1,066	3,204	2,112	8,161	14,543
Accumulated depreciation	(535)	(3,053)	(2,015)	(3,022)	(8,625)
Net book amount	531	151	97	5,139	5,918

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 13: NON-CURRENT ASSETS – INTANGIBLE ASSETS

	Certification trademarks \$'000
<b>At 1 July 2023</b>	
Cost	10,000
Accumulated amortisation and impairment	–
Net book amount	10,000
<b>Year ended 30 June 2024</b>	
Opening net book amount	10,000
Closing net book amount	10,000
<b>At 30 June 2024</b>	
Cost	10,000
Accumulation amortisation and impairment	–
Net book amount	10,000
<b>Year Ended 30 June 2025</b>	
Opening net book amount	10,000
Closing net book amount	10,000
<b>At 30 June 2025</b>	
Cost	10,000
Accumulated amortisation and impairment	–
Net book amount	10,000

A value of \$10,000,000 is allocated to the Woolmark certification and ordinary trademarks and, based on a review of the current operations to date and intentions for future use, the directors are satisfied that no impairment of the carrying value has arisen since acquisition.

The Woolmark certification and trademarks, with an indefinite expected useful life, are expected to generate cash flows over an indefinite period of time.

The directors are committed to providing market research to support the profile of the certification and the trademarks.

The directors strive to build the reputation of the Woolmark certification and trademarks to consolidate its brand recognition globally.

## 14: NON-CURRENT ASSETS – OTHER ASSETS

	Consolidated	
	2025 \$'000	2024 \$'000
Lease deposits	391	359

## 15: CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	Consolidated	
	2025 \$'000	2024 \$'000
Trade payables	1,502	1,748
Other payables	1,272	1,521
Project payables and accruals	832	1,315
	3,606	4,584

## 16: CURRENT LIABILITIES – DEFERRED INCOME

	Consolidated	
	2025 \$'000	2024 \$'000
Unearned license income	5,692	5,652
Unearned sub-lease income	120	120
Unearned other income	611	616
	6,423	6,388

## 17: CURRENT LIABILITIES – PROVISIONS

	Consolidated	
	2025 \$'000	2024 \$'000
Employee entitlements	3,918	3,747



NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 18: NON-CURRENT LIABILITIES – PROVISIONS

	Consolidated	
	2025 \$'000	2024 \$'000
Lease make good	455	359
Employee entitlements	294	342
	749	702

## 19: LEASES

	Consolidated	
	2025 \$'000	2024 \$'000
<b>Lease liabilities</b>		
Current	1,540	1,250
Non-current	3,981	3,894
	5,521	5,144
<b>Future lease payments are due as follows:</b>		
Within one year	1,575	1,441
One to five years	4,446	4,078
More than five years	86	247
	6,107	5,766

Amounts recognised in the statement of comprehensive income  
The statement of comprehensive income shows the following amounts  
relating to lease liabilities:

Interest expense	233	258
Expense relating to short-term leases	44	36
Expense relating to leases of low-value assets that are not shown above as short-term leases	65	69

The total cash outflow for leases in 2025 was \$1,378,104

## 20: CONTRIBUTED EQUITY

(a) Share capital	2025 Shares	2024 Shares	2025 \$	2024 \$
Fully paid	37,462	37,462	100	100

### (b) Movements in ordinary share capital

There was no movement in ordinary share capital during the year.

### (c) Ordinary shares

A person has a right to one share in the Company if the Board is satisfied that their rolling wool levy or wool tax contribution is \$100 or more during the 3 previous financial years or the person is engaged in a wool producing business, as defined by the Company's constitution. This right does not entitle the shareholder to participate in any profit distributions or in any proceeds on the winding up of the entity. Where a person fails to satisfy these share criteria the share is returned to and held by the Company.

### (d) Shareholder statistics

<i>Details</i>	<b>30 June 2025</b>	<b>30 June 2024</b>
Australian Capital Territory	<b>53</b>	53
New South Wales	<b>6,091</b>	6,469
Northern Territory	<b>2</b>	3
Queensland	<b>350</b>	386
South Australia	<b>2,788</b>	2,938
Tasmania	<b>498</b>	536
Victoria	<b>3,907</b>	4,146
Western Australia	<b>2,617</b>	2,833
	<b>16,306</b>	17,364

## 21: OTHER RESERVES AND RETAINED SURPLUS

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>(a) Other reserves</b>		
Foreign currency translation	<b>1,021</b>	1,165
<b>Movements:</b>		
Foreign currency translation		
Balance 1 July	<b>1,165</b>	1,234
Currency translation differences arising during the year	<b>(144)</b>	(69)
Balance 30 June	<b>1,021</b>	1,165

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 1(c) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

## 21: OTHER RESERVES AND RETAINED SURPLUS (CONTINUED)

	Consolidated	
	2025 \$'000	2024 \$'000
<b>(b) Retained surplus</b>		
Retained surplus at the beginning of the financial year	78,895	82,571
Net deficit attributable to the owners of Australian Wool Innovation Limited	(2,656)	(3,676)
Retained surplus at the end of the financial year	76,239	78,895

## 22: KEY MANAGEMENT PERSONNEL DISCLOSURES

	Consolidated	
	2025 \$	2024 \$
<b>(a) Key management personnel remuneration</b>		
<b>Non-executive directors</b>		
Short-term employee benefits	685,102	679,993
Post-employment benefits	78,787	74,798
	763,889	754,791
<b>Other key management personnel</b>		
Short-term employee benefits	2,403,837	2,937,120
Post-employment benefits	276,441	320,515
Termination benefits	–	479,531
	2,680,278	3,737,166

The key management personnel of Australian Wool Innovation Limited includes those executives who have the authority and responsibility for offices of the company, either directly or indirectly.

Remuneration includes salaries, wages, superannuation and other employee provisions paid, payable or provided to or on behalf of Australian Wool Innovation Limited.

### (b) Remuneration principles and policies

#### (i) Directors' fees

All directors are non executive, and fees and payments to directors reflect the demands which are made on, and the responsibilities of, the directors. All directors' fee payments are reviewed by the Board. The Chair's fees are determined independently to the fees of directors based on comparative roles in the external market. Both the Chair and non executive directors receive additional fees for their membership on committees.

#### (iii) Executive employment contracts

Remuneration and other terms of employment for the Executive Management Team are formalised in employment contracts. These employment contracts state a remuneration package (which is calculated on a total cost to the Group basis). None of these employment contracts include share options or termination notice period in excess of six months.

**(c) Details of remuneration**

*(i) Non executive Directors of Australian Wool Innovation Limited*

<b>2025 Name</b>	Short-term employee benefits		Post-employment benefits	Total \$
	Directors' base fees paid \$	Committee fees paid \$	Superannuation \$	
Mr J Laurie	151,106	25,114	20,265	196,485
Ms G Hack	67,158	22,282	10,286	99,726
Dr M Humphries	67,158	22,353	10,294	99,805
Mr N Jackson	67,158	8,395	8,689	84,242
Mr D Macdonald	67,158	21,763	10,226	99,147
Mr G Millington	67,158	22,353	10,294	99,805
Ms E Weston	67,158	8,788	8,734	84,680
Total	554,054	131,048	78,788	763,890

<b>2024 Name</b>	Short-term employee benefits		Post-employment benefits	Total \$
	Directors' base fees paid \$	Committee fees paid \$	Superannuation \$	
Mr J Laurie	151,106	23,505	19,207	193,818
Ms G Hack	67,158	20,673	9,661	97,492
Mr N Henderson	27,983	3,498	3,463	34,944
Dr M Humphries	67,158	17,478	9,310	93,946
Mr N Jackson	41,568	3,521	4,960	50,049
Mr D Macdonald	67,158	8,395	8,311	83,864
Mr G Millington	41,568	12,198	5,914	59,680
Mr J Morgan	27,983	7,375	3,889	39,247
Mr D A A Webster	27,983	12,811	4,487	45,281
Ms E Weston	41,568	9,306	5,596	56,470
Total	561,233	118,760	74,798	754,791

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 22: KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

### (d) Other key management personnel

Mr J Roberts	Chief Executive Officer
Ms T Marshall	Chief Financial Officer
Mr S McCullough	Chief Marketing and Innovation Officer (until 30 September 2024)
Ms L Meadley	Company Secretary & General Council
Ms L Armstrong	General Manager – Marketing Communications
Ms J Davies	General Manager – Industry Development
Ms D Giorgiutti	General Manager – Human Resources
Ms B Peachey	General Manager – Research
Mr J Reed	General Manager – Digital and IT
Mr K Wilde	General Manager – Consultation and Engagement

## 23: REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor/s of the parent entity, and its related practices:

	Consolidated	
	2025 \$	2024 \$
<b>(a) Audit services</b>		
Audit fees – domestic – HLB Mann Judd	117,793	107,563
Audit fees – international – HLB Mann Judd affiliates	102,697	100,568
Audit fees – international – Non HLB Mann Judd	10,953	10,956
Total remuneration for audit and other assurance services	231,443	219,087
<b>(b) Non-audit services</b>		
Tax compliance – HLB Mann Judd	28,154	44,410
Tax compliance – HLB Mann Judd affiliates	7,338	6,861
Total remuneration of non-audit services	35,492	51,271
Total remuneration	226,935	270,358



## 24: COMMITMENTS

	Consolidated	
	2025	2024
	\$	\$
<i>(i) Research, development and marketing</i>		
Commitments payable in relation to research, development and marketing	9,537	21,404
	Consolidated	
	2025	2024
	\$	\$
<i>(ii) Forward exchange contracts</i>		
Commitments payable in relation to forward exchange contracts	7,817	9,517

The group treasury policy stipulates the parameters to protect known foreign currency exposures via forward exchange contracts.

## 25: RELATED PARTY TRANSACTIONS

### (a) Parent entities

The parent entity of the Group is Australian Wool Innovation Limited.

### (b) Directors

The names of persons who were directors of the company at any time are as follows: G Hack, M Humphries, N Jackson, J Laurie, D Macdonald, G Millington, and E Weston.

### (c) Subsidiaries

Interests in subsidiaries are set out in note 26.

### (d) Remuneration

Disclosures relating to directors and key management personnel remuneration are set out in note 22.

### (e) Other transactions with directors and key management personnel or entities related to them

#### *(i) Loan transactions and balances*

There were no loan transactions or balances with directors and key management personnel or entities related to them during the year ended 30 June 2025.

#### *(ii) Other transactions and balances*

No director, or director related entity entered into a contract or had any other transactions other than normal terms and conditions with Australian Wool Innovation Limited during the year ended 30 June 2025.

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 25: RELATED PARTY TRANSACTIONS (CONTINUED)

### (f) Transactions with other related parties

The following transactions occurred with related parties:

	Consolidated	
	2025 \$	2024 \$
<i>Sale of goods and services</i>		
Sale of services relating to marketing and wool testing activities to key management personnel of the entity*	11,525	15,120
<i>Purchases of goods</i>		
Purchase of goods and services relating to marketing and wool testing activities from key management personnel of the entity*	129,647	185,674

\*For the period in which they held a key management personnel position.

### (g) Outstanding balances arising from sales or purchases of services

The following balances are outstanding at the end of the reporting year in relation to transactions with related parties:

	Consolidated	
	2025 \$	2024 \$
Current receivables (sales of goods and services)		
Key management personnel of the entity	7,815	–
Current payables (purchase of goods)		
Key management personnel of the entity	–	23,101

## 26: CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2025 %	2024 %
Subsidiaries controlled by Australian Wool Innovation Limited:				
Woolmark Holdings Pty Limited	Australia	Ordinary	100	100
Woolshare Nominees Pty Limited	Australia	Ordinary	100	100
Woolmark Source Pty Limited	Australia	Ordinary	100	100
Subsidiaries controlled by Woolmark Holdings Pty Limited:				
The Woolmark Company Pty Limited	Australia	Ordinary	100	100
Australian Merino Pty Limited	Australia	Ordinary	100	100
Digibale Pty Limited	Australia	Ordinary	–	100
Subsidiaries controlled by The Woolmark Company Pty Limited:				
Woolmark International Pty Ltd	England	Ordinary	100	100
IWS Nominee Company Limited	England	N/A	100	100
Woolmark (Americas) Inc.	USA	N/A	100	100
Stichting International Wool Secretariat	Netherlands	N/A	100	100
Wollsiegel Verband	Germany	N/A	100	100
Woolmark (Italy) SRL	Italy	Ordinary	100	100
The Woolmark Company (HK) Limited	Hong Kong	Ordinary	100	100
The Woolmark (Shanghai) Company Limited	China	Ordinary	100	100
Woolmark Services India Private Limited	India	Ordinary	100	100

## 27: ECONOMIC DEPENDENCY

Australian Wool Innovation Limited is dependent upon the receipt of Wool Levy and Matching Funds from the Commonwealth Government per Statutory Funding Agreement between Australian Wool Innovation Limited and The Commonwealth of Australia.

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
30 JUNE 2025 (CONTINUED)

## 28: EVENTS OCCURRING AFTER THE REPORTING PERIOD

Overall, it is not practicable to estimate the future potential impact of the unsettled global economic environment and ongoing conflicts, however it currently seems likely that the economies of most of our main retail markets will remain relatively subdued during 2025/26. A number of matters are contributing to a downsizing of the clip: challenging seasonal conditions and a continued depressed market. These issues could potentially negatively affect the company's revenue in 2025/26.

There has been no other matter or circumstance which has arisen since 30 June 2025 that has significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

## 29: PARENT ENTITY FINANCIAL INFORMATION

### (a) Summary financial information

The individual consolidated financial statements for the parent entity, Australian Wool Innovation Limited, show the following aggregate amounts:

	2025 \$'000	2024 \$'000
<b>Loss for the year</b>	<b>(5,683)</b>	<b>(6,140)</b>
<b>Total comprehensive loss</b>	<b>(5,683)</b>	<b>(6,140)</b>
<b>Statement of financial position</b>		
Current assets	72,780	76,086
Non-current assets	46,122	49,295
Total assets	118,902	125,381
Current liabilities	5,878	5,885
Non-current liabilities	2,823	3,612
Total liabilities	8,701	9,497
Net assets	110,201	115,884
<i>Shareholders' equity</i>		
Loss for the year	(5,683)	(6,140)
Retained earnings	115,884	122,024
	110,201	115,884

### (b) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2025 or 30 June 2024.

# DIRECTORS' DECLARATION

30 June 2025

## In the directors' opinion:

- (a) the consolidated financial statements and notes set out on pages 41 to 66 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) complying with Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulation 2022*; and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022*.

This declaration is made in accordance with a resolution of the directors.



Mr J Laurie (Chairman)  
Sydney  
21st August 2025



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN WOOL INNOVATION LIMITED



## REPORT ON THE AUDIT OF THE FINANCIAL REPORT

### Opinion

We have audited the financial report of Australian Wool Innovation Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and director's declaration.

In our opinion, the accompanying financial report of the Group has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

1. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
2. complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

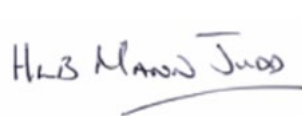
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



HLB Mann Judd Assurance  
(NSW) Pty Ltd  
Chartered Accountants

Sydney, NSW  
21 August 2025



S P James  
Director

# REPORT ON COMPLIANCE WITH THE SFA

As a demonstration of AWI's transparency and good governance, AWI is including in this annual report, the report below by HLB Mann Judd regarding AWI's compliance with the Statutory Funding Agreement between the Commonwealth of Australia and AWI, and the efficacy of AWI's accounting systems, processes and controls during the 2024–25 financial year.



## **To the Directors of Australian Wool Innovation Limited**

### **Report on compliance with the Statutory Funding Agreement**

We have performed assurance procedures with regards to the compliance and operating effectiveness of Australian Wool Innovation Limited ("the Company") with the requirements of Section 16 (Management of Funds, Voluntary Contributions and Other money) and 17 (Application of the Funds) of the Statutory Funding Agreement dated 3 December 2025 (the "Agreement") between the Commonwealth of Australia (the "Commonwealth") and the Company, as measured by the criteria outlined in Sections A and B below.

#### *Use of Report*

This report has been prepared for the Directors of Australian Wool Innovation Limited in accordance with the Agreement. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the directors of Australian Wool Innovation Limited, or for any purpose other than that for which it was prepared.

### **A. Reasonable Assurance on Compliance with the Agreement**

#### *Respective Responsibilities*

Management of the Company are responsible for compliance with the Agreement as measured by clauses 16 and 17 of the Agreement. Our responsibility is to express a conclusion on compliance with the Agreement as measured by the clauses 16 and 17 of the Agreement, in all material respects.

Our audit has been conducted in accordance with applicable Standards on Assurance Engagements

(ASAE 3100 Compliance Engagements) to provide reasonable assurance that Australian Wool Innovation Limited has complied with the Agreement as measured by the criteria in clauses 16 and 17 of the Agreement for the year ended 30 June 2025.

Our procedures included examining, on a sample basis, information to provide evidence supporting the compliance with clauses 16 and 17 of the Agreement. These procedures have been undertaken to form a conclusion as to whether Australian Wool Innovation Limited has complied in all material respects, with the Agreement, as measured by clauses 16 and 17 of the Agreement for the period from 1 July 2024 to 30 June 2025.

#### *Inherent Limitations*

Because of the inherent limitations of any internal control framework, it is possible that fraud, error or non compliance may occur and not be detected. An audit is not designed to detect all instances of non compliance with the Agreement as measured by clauses 16 and 17 of the Agreement, as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with the Agreement as measured by clauses 16 and 17 of the Agreement are undertaken on a test basis. The audit conclusion expressed in this report has been formed on the above basis.

#### **Opinion**

In our opinion, Australian Wool Innovation Limited has complied, in all material respects, with Sections 16 and 17 of the Agreement for the period from 1 July 2024 to 30 June 2025.

## **B. Limited assurance regarding operating effectiveness of accounting systems, processes and controls**

### *Respective Responsibilities*

Management of the Company are responsible for the efficacy of the accounting systems, processes and controls to comply with paragraph 16.1 of the Agreement. Our responsibility is to express a conclusion regarding the operating effectiveness of the accounting systems, procedures and controls in accordance with the requirements of paragraph 16.1 of the Agreement.

Our review has been conducted in accordance with applicable Standards on Assurance Engagements (ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information) to provide limited assurance that Australian Wool Innovation Limited has complied with the Agreement as measured by paragraph 16.1 of the Agreement. Our procedures included examining, on a sample basis, information to provide evidence supporting the operating effectiveness of the accounting systems, processes and controls with paragraph 16.1 of the Agreement. These procedures have been undertaken to form a conclusion, that nothing has come to our attention that causes us to believe that the systems, processes and controls related to the management of funds were not operating effectively, in all material respects, in accordance with the requirements of paragraph 16.1 of the Agreement for the period from 1 July 2024 to 30 June 2025.

### *Inherent Limitations*

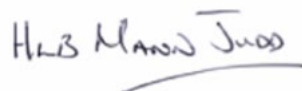
Because of the inherent limitations of any internal control framework, it is possible that fraud, error or non compliance may occur and not be detected.

A review is not designed to detect all weaknesses in operating effectiveness as measured by paragraph 16.1 of the Agreement as it is not performed continuously throughout the period and tests performed are on a sample basis. Also, a review does not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Any projection of the evaluation of the effectiveness of accounting systems, processes or controls to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions or that the degree of compliance with them may deteriorate.

### **Conclusion**

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accounting systems, processes and controls of Australian Wool Innovation Limited related to the management of funds, were not operating effectively, in all material respects, in accordance with the requirements of paragraph 16.1 of the Agreement for the period from 1 July 2024 to 30 June 2025.



HLB Mann Judd Assurance  
(NSW) Pty Ltd  
Chartered Accountants

Sydney, NSW  
21 August 2025



S P James  
Director



Harnessing the unmatched performance of Merino wool, iconic Italian swimwear brand arena launched its inaugural collection of wool-rich beachwear for men and women, in partnership with Woolmark. One of the collection's two ambassadors, Nicolò Martinenghi (pictured), won the gold medal in the 100m butterfly at the Paris Olympics in July 2024.



# APPENDICES

## 2024-25

Project list 2024-25	74
Performance principles	78
Performance against Annual Operating Plan targets	80

# PROJECT LIST 2024–25

This list contains details of AWI projects in which costs incurred during 2024–25 totalled more than \$100,000 for each project. The cost figures (in the right-hand columns) include both contract and ancillary payments. The costs in this list represent 'external costs' to suppliers directly related to the projects and not the 'internal costs' of AWI staff who manage those projects and other operating expenses. This project list does not form part of the audited financial reports.

\* The key providers indicated for each project are listed in alphabetical order. The list of providers is not necessarily a complete list of all providers for the project.

## SHEEP PRODUCTION PROJECTS

Project title	Key providers*	\$ paid in 2024–25
AMSEA Management, Admin & Reporting 2025–27	Australian Merino Sire Evaluation	138,600
Australian Pastures Genebank – Phase 3	SARDI – Shared Services SA	186,709
Feed Additives to Mitigate Methane	Department of Primary Industries and Regions South Australia; NSW Department of Primary Industries and Regional Development; University of New England; University of Western Australia	118,465
Flystrike Extension Delivery 2023–26	Hot Tin Roof Family Trust t/a Hot Tin Roof Communication; Premium Fulfilment Services Pty Ltd; Rural Industries Skill Training; Schuster Consulting Group	208,729
Genetics Analysis of Data	Farming Systems Analysis Service; Stenhouse Consulting Pty Ltd; University of New England	411,218
Lifetime Ewe Management (LTEM) 9 2022–26	A & B Thompson Pty Ltd; Rural Industries Skill Training	227,050
Lifetime Productivity (AMSEA) Project	Australian Merino Sire Evaluation; Nerstane Pastoral Co; NSW Stud Breeder's Association Limited; Rydges Sydney Airport	150,345
Merino Genomic Reference Flock 2023–25	BCS Agribusiness	121,250
Mitigating methane with Asparagopsis	Department of Primary Industries and Regions South Australia; University of New England; University of Western Australia	300,000
Nanotechnology with Tea Tree Oil	Department of Agriculture & Fisheries – Agri-Science Queensland	109,988
National Wild Dog Management Coordination Program	Centre For Invasive Species Solutions; Feral By Nature Pty Ltd; Pest Lures; Three60 Consulting Pty Ltd; WA Initiatives	288,540
Nature Positive Farming – Pilot	Enviro-dynamics; Integrated Futures; La Trobe University; Macdoch Foundation	116,680
Next Generation Wool Harvesting	The University of Adelaide	339,607
Novel Semiochemical Approach to Control	Deakin University	100,000
Novel Targets Against the Sheep Blowfly	The University of Melbourne & WEHI	129,472
Regional Youth Skills 2024–25	Bralca 2.0 Pty Ltd; Lachlan Anthony West; RW Engineering; South Australian Stud Merino; The Royal Agricultural Society Of Western Australia Inc; Wool Solutions Pty Ltd	160,767
Shearer and Wool Handler Training Program	Advanced Lifestyle Training; Amanda Davis; Benjamin Deane Frewen; Brian Anthony Sullivan; G & N Atkinson Pty Ltd; Grant Oliver Lester; Great Southern Shearing WA Pty Ltd; Harriet Ryan Creative Consultant; Heiniger Australia Pty Ltd; Ian Elkins; Jamie Shone; Janice Louise Behsmann; K.L Armour & M.R Newton; Karenne Ann Bowden; Karl Goodman; Kevin Gellatly; Krystal Leigh Weatherall; Kunderning Pty Ltd; Kymberlee Louise O'Brien; Lachlan Anthony West; Malenor Training; Michael Pora; MW and RM King; Paul Hick; Penny Clout; Px2 Pty Ltd; SCAA Shearer Woolhandler Training Inc; Shire of Boyup Brook; Shireen Monds; South Regional TAFE; The McClelland Family Trust; Wayne Duncan Hosie	2,365,015
Shearing and Wool Handling Competitions, Communications & Promotion	Advanced Lifestyle Training; Australian National Shearing (West Australian Division) Association Inc; AWH Pty Ltd; Edward Surjadi; Elite Wool Industry Training Ltd; FS Pack and Mail Services Pty Ltd; Growing Positive Solutions Pty Ltd; I/O Merino Pty Ltd; Premium Fulfilment Services Pty Ltd; Raine & Horne Dubbo; SCAA Shearer Woolhandler Training Inc; Sports Shear Australia Association; Sports Shear Australia Victoria; Sports Shear South Australia Inc; Sports Shear Tasmania Inc; Sportshear Australia (NSW) Inc; The Royal Agricultural Society Of Western Australia Inc; Top Gun Shearing Supplies; Wamerinoco Pty Ltd	446,382
Sterile Insect Technique for Sheep Blowflies	SARDI – Shared Services SA	100,000
Sustainability Reporting for Wool	Australian Meat Processor Corporation Ltd	125,000
UTS Wool Bioharvesting	University of Technology Sydney	195,818



## CONSULTATION PROJECTS

Project title	Key providers*	\$ paid in 2024–25
Australia-China Wool Business Exchange	Ctrip.com Computer Technology (Shanghai); Emu Coach Hire; Making Event; Nanjing Wool Market; Novotel Sydney Olympic Park; Pullman Sydney Airport; Riverside Oaks Golf Resort; Royal Agricultural Society of NSW; Scott Daniel Carmody; Shanghai Fastracker Car Leasing Co; Wamerinoco Pty Ltd	305,819
AWI Extension NSW 2022–25	Megan Rogers Consulting Pty Ltd	230,000
AWI Extension SA 2023–26	Department of Primary Industries and Regions – PIRSA	180,000
AWI Extension TAS 2022–25	Display Systems Australia; James Russell Tyson	151,873
AWI Extension VIC 2023–26	Department of Energy, Environment and Climate Action	190,000
AWI Extension WA 2023–26	Nextgen AGRI Limited; The Livestock Collective	180,000
Beyond the Bale 2024–25	D&D Mailing Services; MMG Rural Pty Ltd; Newstyle Printing Co Pty Ltd; Sandra Kulakovski	139,491
Leading Sheep 2022–25	Department of Agriculture & Fisheries – Agri-Science Queensland	180,000
National Regional Engagement 2025	101 Degrees; Anlaby; Australian Sheep Breeders; Display Systems Australia; Exponet Exhibition & Event Services; Great Southern Merino Sheepbreeders; Inetol Enterprises Limited; Midland Agricultural Association Inc; Premium Fulfilment Services Pty Ltd; Queensland Merino Stud Sheepbreeder; Royal Agricultural Society of NSW; SA Stud Merino Burra Expo Association; Stirlings to Coast Farmers Inc; Women In Wool Incorporated	131,594
WoolPoll 2024	Clutch Digital; Kildara Pastoral Company; Link Market Services Ltd; Redhanded Creative Pty Ltd	245,332

## INDUSTRY DEVELOPMENT PROJECTS

Project title	Key providers*	\$ paid in 2024–25
The Wool Lab 2024–25	Riccardo Rami Studio SRL; Torrissi Mattia	493,913
Trade Extension Engagement 2024–25	Bangladesh Denim Expo; Bharat Tex Trade Federation; Design & Development GmbH Textile; Fiera Milano SPA; Japan Fashion Week Organization; Josse & Prache SAS; KOFOTI; Krypton Inc; Lloyd Almond Productions Limited; Marco Martini & C SAS; Pitti Immagine SRL; Premiere Vision SAS; Reed Exhibitions; S.i.tex SPA; Seouladcom; Shanghai Tengda Exhibition Co Ltd; Wool & Woollens Export Promotion; Zines Exhibition Services Co Ltd	349,717

## PROJECT LIST 2024-25 (CONTINUED)

### MARKETING PROJECTS

Project title	Key providers*	\$ paid in 2024-25
Business Development Support Italy / UK 2024-25	Fabrizio Servente; Irene Boccitto; La Bursch SRL; R. Peter Ackroyd Ltd; Skorpion Travel SPA	144,423
China Campaign AW 2024	Beijing Zhongsheng Lijia Culture; Ctrip.com Computer Technology (Shanghai); Hangzhou Alimama Software Services Co Ltd; Kantar China Limited Guangzhou Branch; Shanghai Dongcheng Cultural; Shanghai Sailiyu Cultural Communication Co Ltd; Ying Zhi Advertising (Shanghai) Co Ltd; Zhejiang Netaware Cultural Media	1,963,023
China Social Media 2024-25	Ying Zhi Advertising (Shanghai) Co Ltd	229,427
Eco Campaign 2024	Craft Media London Ltd; DVJ Insights UK; LinkedIn Singapore Pte Ltd; Meta Platforms Ireland Limited; No More Plastic Foundation Europe; Park Village Ltd; PMG Worldwide LLC; Preston R. Bloss; Protein One Pty Limited; Sweeney Advertising Pty Ltd; Zmirov Communication	3,290,400
Eco Influencer Program 2024	AIRE, LLC; Amanda Eleuterio; Amanda Le; Erica Putza; Genflow Inc; Point D'Orgue; Victoria Montanari	170,009
Global Ambassador Program 2025	The Influencer Marketing Factory	362,567
Global Brand Health Tracking 2024	Ipsos Pty Ltd	160,700
Global Social Media 2024-25	107 Design Inc; Andrea Cheong; Audio Network Australia Pty Ltd; Benjamin James Jackson; Cloud Nine Mgmt LLC; Google Australia Pty Ltd; Hanan Besovic; HLM Media LLC; Meta Platforms Ireland Limited; Newco Management SRL	196,883
Gondola Station 2023-25	Comune Di Venezia	148,363
International Woolmark Prize 2025	ACT Studio SRL; Diotima, Inc; Duran Lantink; EMBD SAS; Gruppo Una SPA; The Only Agency, Inc; International Management Group; Kitty Events; Luar LLC; Lungarno Alberghi SRL; Meryll Rogge International BV; Mononoke SRL; Platinum Future SRL; Standing Ground Ltd; W TRE SRL	2,638,485
Luna Rossa Prada Pirelli 2024	93 DM SRL; A. Manzoni & C SPA; Cairorcs Media SPA; Equipo Singular SL; Google Australia Pty Ltd; Guillem Laporta Hoyos; Kim Tran; Luna Rossa Challenge SRL; Meta Platforms Ireland Limited; Prada SPA; Vezil Luca; We Are Social Ltd	2,005,029
Media Monitoring 2024-25	Cision US Inc; L'Eco della Stampa SPA; Tribe Dynamics LLC	122,409
Mizuno Baselayer Campaign SS 2024 / AW 2024	Asahi Advertising Inc; HighScore, Inc; LOFIDESIGN Inc; Makuake, Inc; Ubun Co., Ltd.	113,877
Musinsa E-commerce Partnership AW 2024	Musinsa Co Ltd	191,348
PR Agencies 2024-25	Beretta Silvia; Eco Age Limited; For.Tomorrow Consultancy Ltd; Serena Schellino; Shanghai CatchOn & Company Limited; Stephen Toal Ltd; Zmirov Communication	610,012
Rakuten Fashion AW 2024	Kiyono, Inc; Meta Platforms Ireland Limited; Rakuten Group, Inc; Walters Co Ltd	395,117
Saks Fifth Avenue Partnership AW 2024	Saks.com LLC	315,736
Shinsegae International AW 2024	Shinsegae Tomboy Inc	148,541
Tom Daley x Woolmark Partnership	Intertek Italia SPA; MWLTD (UK) Ltd	161,792
Wool Performance Benefits Animation	Aixsponza GmbH; Kettlewell Consulting; RMK Management Pty Ltd	211,738
Woolmark+ Brand Fellowship	Emu Coach Hire; Integrity Ag Pty Ltd; MA & PC Cumming; Nimbo Fork Lodge; Skorpion Travel SPA	206,162
Woolmark+ Engagement & Activities	Dana Davis Consulting LLC; Dean Yasharian; For.Tomorrow Consultancy Ltd; Minter Ellison; NAC Group Pty Ltd	181,534

## MARKET ANALYTICS PROJECTS

Project title	Key providers*	\$ paid in 2024–25
Australian Wool Traceability Hub Platform Development Resources 2024–25	Edward Surjadi; Evolution Recruitment Solutions Pty Ltd; Microsoft Pty Ltd; Talman Pty Ltd	367,556
Australian Wool Traceability Hub Platform Software & Maintenance	Evolution Recruitment Solutions Pty Ltd; Microsoft Pty Ltd; Optimizely AB Torsgatan	140,117
Emerging Markets 2024–25	Azeezur Rahman Khan; Jorge Ramon Plata Castellanos; Juan Carlos Aragon Vallenias; Maria Dolores dos Santos Gouveia; Nguyen Van Hung	249,355
Lower Emission Supplements for Grazing at Scale	Department of Primary Industries and Regions South Australia; NSW Department of Primary Industries and Regional Development; University of New England; University of Western Australia	380,000
Trade and Supply Chain 2024–25	Clutch Digital; DRG Strategic Solutions Pty Ltd; FS Pack and Mail Services Pty Ltd; Scott Daniel Carmody	263,322
Trade Subscriptions	Australian Wool Exchange Ltd; Independent Commodity Services P/L; Statista Australia Pty Ltd; WGSN; Wood Mackenzie Limited; World Textile Information Network Ltd	165,659
Wool Industry Insetting Project	Pollination Capital Partners Pty Ltd	545,635

## SUPPORT ADMINISTRATION COSTS

Project title	Key providers*	\$ paid in 2024–25
Digital Support	Edward Surjadi; Evolution Recruitment Solutions Pty Ltd	214,649
Domo 2025–28	Domo, Inc	112,890
Optimizely Digital Experience Platform	Optimizely North America	109,738

# PERFORMANCE PRINCIPLES

There are five principles set in the Statutory Funding Agreement guideline and these are stakeholder engagement, RD&E activities, collaboration, governance, and monitoring & evaluation. Against these principles there are Performance Indicators (KPIs) set out to be reported against. The table below shows the progress that has been made or the measures that have been set out.

Principles	Outcome	Key Performance Indicators	Progress against KPI
Stakeholder Engagement	Engage stakeholders to identify research, development and extension (RD&E) priorities and activities that provide benefits to industry.	1.1 Strategy prioritisation and development processes include appropriate consultation plans, based on the Best practice guide to stakeholder consultation.	Five WICP and two WCG meetings.  The 2025–28 Strategic Plan has been developed in consultation with key stakeholders. The 2025–26 Annual Operating Plan is aligned to the current Strategic Plan.
	<ul style="list-style-type: none"> <li>Facilitate opportunities for levy payers, industry and government to contribute and collaborate in a meaningful way in setting RD&amp;E priorities and activities.</li> </ul>	1.2 Demonstrated industry stakeholder engagement in the identification of RD&E priorities and activities consistent with the consultation plan in 1.1.	170 events and meetings attended.  Five 5 WICP and two WCG meetings.
	<ul style="list-style-type: none"> <li>This means being open and transparent about how input and ideas from levy papers is incorporated into strategy design and the reasons for their inclusion or otherwise.</li> </ul>	1.3 Demonstrated incorporation of industry stakeholder feedback on RD&E priorities and activities. Where incorporation is not possible, demonstration of feedback to a stakeholder/s on why incorporation was not possible.	Last financial year, AWI received a total of 200+ submissions through the portal. Any feedback provided through the portal or other form are duly responded to with utmost priority.
Research, Development and Extension (RD&E) Activities	Ensure RD&E (and marketing) priorities and activities are strategic, collaborative and targeted to improve profitability, productivity, competitiveness and preparedness for future opportunities and challenges through a balanced portfolio.	2.1 RDC investments align with strategic plans and have demonstrated outcomes to levy payers and taxpayers, including through growth in the industry, increased profitability of producers, commercialisation, access to new markets.	AWI reports on how projects are aligned to the Strategic Plan, Industry framework and government priorities.  AWI continually reviews the company's risk appetite through a balanced portfolio analysing risk and return. These are reported in the Annual and Performance Reports.
	<ul style="list-style-type: none"> <li>Balancing long-term, short-term, high and low risk, and strategic and adaptive research</li> <li>RD&amp;E activities address levy payer and government priorities</li> <li>Delivering impact "on the ground".</li> </ul>	2.2 Levy payers who participate in RDC supported extension and adoption programs: <ul style="list-style-type: none"> <li>gain new knowledge or new information to improve their long-term profitability, productivity, competitiveness and preparedness.</li> <li>intend to make or have made changes to existing practices by adopting the outcomes of R&amp;D.</li> </ul>	There were 15,348 active participants in the AWI Extension Networks. 2,454 novice and intermediate level participants trained by AWI shearer and wool handler trainers. 300+ levy payers participate in LTEM training annually.
Collaboration	Undertake strategic and sustained cross-industry and cross-sectoral collaboration that addresses shared challenges and draws on experience from other sectors	3.1 Completed, current and future R&D including commercialisation opportunities is accessible through the growAG platform.	175 AWI projects on the growAG platform.
	<ul style="list-style-type: none"> <li>Collaborate across the agricultural innovation system to address common challenges and opportunities, including through active participation with AIA on cross sectoral and transformation outcomes</li> <li>The RDCs collaborate with the AgriFutures Emerging Rural Issues forum, 8 Innovation Hubs across Australia, evokeAG online platform and event and growAG platform where relevant.</li> </ul>	3.2 Number and quantum of cross-industry and cross-sector RD&E investments available.	AWI worked with 87 different partners across the supply chain. This includes 5 RDCs on 10 different projects.

Principles	Outcome	Key Performance Indicators	Progress against KPI
Governance	<p>Governance arrangements and practices to fulfil legislative requirements and align with contemporary Australian best practice for open, transparent, and proper use and management of Funds.</p> <ul style="list-style-type: none"> <li>• Good governance ensures stakeholders are well informed and have visibility of the RDC's investments, priorities and achievements</li> <li>• Committee structures and corporate policies enable the RDC to manage day-to-day business activities and fulfil reporting obligations.</li> </ul>	4.1 Ongoing oversight, planning and reporting of investment activities is done in accordance with legislative and Australian Government requirements and timeframes.	<p>ANAO audit was completed and report published on wool.com.</p> <p>All planning and reporting of investment activities is done in accordance with legislative and Australian Government requirements and timeframes.</p>
		4.2 Demonstrated management of financial and non-financial risk.	Risk is captured at strategic, program, operational, project level.
		4.3 Relevant policies and procedures adopted and implemented (e.g., privacy etc).	<ul style="list-style-type: none"> <li>– Respect@Work compliance training was delivered to employees across the group, with a 98.6% completion rate in Australia and 99.1% globally.</li> <li>– Culture Trainings – 96.5% of global employees trained in WHS, Antbullying and Harassment, Discrimination.</li> <li>– During the year, 100% of our employees across the group were trained on our Code of Conduct Training.</li> </ul>
		4.4 Non-financial resources implemented effectively (Human resources, IT, IP etc).	AWI continues to enhance internal systems to improve efficiency, transparency and data protection. Program reporting has shifted to digital platforms, with increased automation in risk management and refined project management tools. An electronic document system supports secure approvals and reduces paper use. Data collection is being embedded across key platforms to strengthen accountability and privacy. These improvements reflect AWI's commitment to responsible and efficient information management.
Monitoring and Evaluation	Demonstrate positive outcomes and delivery of RD&E [and marketing] benefits to Levy Payers and the Australian community in general, and continuous improvement in governance and administrative efficiency.	5.1 Impact (cost – benefit) assessment of a broad cross-section of RD&E [and marketing] investments undertaken annually.	<p>The following projects have been evaluated through conducting BCAs.</p> <ol style="list-style-type: none"> <li>1. 2023 International Woolmark Prize (IWP).</li> <li>2. Mizuno SS24/AW24.</li> </ol>

# PERFORMANCE AGAINST ANNUAL PLAN TARGETS

The table below shows the status of the programs under each portfolio. As at the end of the financial year, most programs have achieved their target and some have not due to challenges faced during implementation of the program.

- Achieved
- Partly achieved and/or were impacted by seasonal conditions
- Not achieved

## SHEEP PRODUCTION

Program	Investment Focus	Target	Status	Commentary
HEALTHY PRODUCTIVE SHEEP	Train growers and advisors in moving to a non-mulesed enterprise and flystrike management covering tactical responses, strategic risk management and breeding for flystrike resistance to reduce risk	Growers that participate in workshops report: a. 70% increased awareness of tools to manage flystrike b. 80% increased confidence to make changes to the way they manage flystrike c. 80% increased confidence in managing flystrike without mulesing	●	Exit surveys from Flystrike Program workshops, including data from SimpliFly™, StrateFly™ and AmpliFly™ workshops held this year, report the following outcomes: a. 94% increased awareness of tools to manage flystrike. b. 92% increased confidence to make changes to the way they manage flystrike. c. 94% increased confidence in managing flystrike without mulesing.
		15 advisors trained to assist woolgrowers implement, monitor and improve their whole-of-farm plan for preventing and controlling flystrike	●	25 advisors have been trained to assist woolgrowers in moving to a non-mulesed enterprise and managing flystrike in their properties.
	Commission projects in flystrike management tools targeting the viability of the fly	Blowfly mass rearing facilities for the Sterile Insect Technique produce 40-50 million sterile blowflies per week  Development of highly specific and potent trapping solution to reduce the sheep blowfly populations  Nanoencapsulation of tea tree oil for enhanced protection against sheep flystrike project commissioned	●	<ul style="list-style-type: none"> <li>The Sterile Insect Technique project is progressing well, with more fly releases planned later this year. A one-year project extension is being negotiated.</li> <li>Development of new flytraps: New season sample collection is being planned. Microbiome analyses are underway.</li> <li>Nanoencapsulation of tea tree oil for enhanced protection against sheep flystrike: Preliminary results for larvicides and repellents are promising, and improved formulations will be tested in the coming months.</li> <li>The Novel Targets against Flystrike project, which focuses on blowfly genomics, has been awarded an ARC Linkage grant of \$900,000. This grant will support the exploration of potential genetic targets for developing new insecticides and/or biological control tools.</li> </ul>
	Support for coordination of a national wild dog program	Continue support for the National Wild Dog Management Co-ordinator project	●	AWI continues to manage and implement, in consultation with the National Wild Dog Management Consultation Committee, the National Wild Dog Management Action Plan. This includes administration of the National Wild Dog Management Coordinator (co-funded by AHA), the National Wild Dog Management Implementation Manager and the Communications Coordinator, as well as associated operational activities for 2024–25 (funded by a Federal Government Grant).
	Increase grower understanding and adoption of best practice management for reproduction efficiency	Aim towards increasing MERINOSELECT weaning rate by 5 percentage points from 2020 to 2030	●	The MERINOSELECT weaning rate increased from 0.074 lambs/ewe (2018 drop) to 0.14 lambs/ewe (2023 drop), representing a 6.6 percentage point gain—or 14 more lambs per 100 ewes—since the 2020 benchmark. This surpasses the 2030 target ahead of schedule, driven by the introduction of the Weaning Rate (WR) trait, genomically enhanced ASBVs, and targeted breeder selection for reproduction.



## SHEEP PRODUCTION

Program	Investment Focus	Target	Status	Commentary
HEALTHY PRODUCTIVE SHEEP	Increase grower understanding and adoption of best practice management for reproduction efficiency (continued)	Develop evidence-based strategies to identify and manage animals at risk of dystocia for improved lamb and ewe survival	●	Best practice ewe management recommendations to reduce dystocia losses have been developed. Supporting extension resources will be finalised and distributed following the acceptance of peer-reviewed papers in early 2025–26 to ensure consistent presentation of the underlying data.
		Promote the productivity benefits of precision sheep management to woolgrowers	●	A platform to promote the productivity benefits of Precision Sheep Management (PSM) to woolgrowers has been established on Circle®, featuring general information, case studies, and instructional videos. Terms and Conditions are currently under legal review, with public launch to follow upon finalisation.
	Support woolgrowers to increase their overall wool-growing productivity through access to genetics and genomics tools and information	An increase of at least 3 index points for the WP index between last two fully recorded drops as at June 30th 2025	●	The WP index has shown steady annual growth since the 2018 drop, with a 3.7-point increase from 2022 to 2023 exceeding the 3-point target. This highlights sustained genetic gains in productivity and underscores the value of continued investment in genetic tools and information for woolgrowers.
	Support woolgrowers to breed for increasing flystrike resistance	A trend for lower breech wrinkle and dags ASBVs	●	MERINOSELECT Genetic Trend Reports show a consistent and positive trend in reducing Breech Wrinkle and Dag ASBVs from 2018 to 2023. Breech Wrinkle ASBV improved from -0.14 (2018 drop) to -0.35 (2023 drop), reflecting strong genetic progress toward plainer breeches. Dag ASBV also improved steadily, from -0.04 to -0.11 over the same period. These results demonstrate industry-wide adoption of breeding strategies for flystrike resistance and confirm the effectiveness of genetic tools in supporting woolgrowers to make measurable gains.
		Increasing genotyping and phenotyping of Merino breech wrinkle, dags, cover and fleece rot. By 2030 50% of MERINOSELECT current drop will have a breech wrinkle phenotype	●	The 2023 MERINOSELECT drop achieved 60% of animals with a recorded breech wrinkle phenotype, surpassing the 2030 target of 50% well ahead of schedule. Additional progress includes 43% of animals phenotyped for breech cover, 26% for dags, and 3% for fleece rot. Genotyping and phenotyping activity increased across all key traits, reflecting strong industry engagement with data collection and steady genetic progress in reducing flystrike risk.
		Within flock RBVs for flystrike and body strike will be available for collaborating ram breeder flocks	●	Across-flock project breeding values were made available to collaborating ram breeders on 30 January 2025, a key milestone that advances beyond the original target of within-flock RBVs. Many of these breeding value accuracies now exceed the standard RBV level, significantly improving the robustness of genetic information. This achievement enhances woolgrowers' ability to breed for flystrike resistance with greater confidence and precision.
AGRI TECHNOLOGY	Investigation of weakening agents to identify and develop a suitable wool weakening treatment to increase shearing efficiency	Report on the success of in-vitro and in-vivo investigations of the effect of weakening compounds on wool	●	<p>Researchers have been striving to identify the most effective agent for weakening wool. Although a definitive agent has yet to be found, significant progress has been made throughout the course of this project:</p> <ul style="list-style-type: none"> <li>– Three major pathways involved in wool fibre hardening have been discovered.</li> <li>– Twelve inhibitors that can interfere with these pathways have been identified</li> <li>– Assays have been developed for five inhibitors, and another three are currently underway</li> <li>– Three inhibitors have been tested on live sheep.</li> </ul>

## PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

### SHEEP PRODUCTION

Program	Investment Focus	Target	Status	Commentary
AGRI TECHNOLOGY	Wool harvesting innovation: development of technology to harvest weakened wool	New project(s) commissioned and early testing of wool removal prototypes is completed	●	Four new projects were commissioned and early testing of wool removal prototypes was successfully completed in three of the four projects. However, due to delays in the University of Adelaide's identification of the weakening agent, which is crucial for advancing this project the AWI Board decided to halt investment in this area, terminating the projects, with a view to revisiting them pending a successful outcome from the wool bioharvesting project.
ENVIRONMENTAL SUSTAINABILITY	Assist woolgrowers to monitor, measure, and improve on-farm natural capital, increase drought resilience and enable new income streams such as carbon and biodiversity markets	Develop regionally relevant and cost-effective natural capital metrics	●	Ten core metrics were refined from twelve to better measure on-farm natural capital, biodiversity, and drought resilience while avoiding duplication and scoring issues. Regional benchmarks based on NVIS ensure fair scoring across different farm contexts. Designed for cost-effective measurement, with input from industry stakeholders, these metrics will be tested in a pilot phase to support scaling the Nature Positive Farming scheme.
		Woolgrowers have access to information on effective and regionally relevant interventions for sequestering carbon into the farming landscape and increasing biodiversity	●	Several articles, videos, and a webinar have been released to share insights with woolgrowers on improving pasture management, soil health, carbon storage, and biodiversity. These resources highlight effective, regionally relevant practices that enhance farm productivity, reduce emissions, and support environmental sustainability. Ongoing research and upcoming publications will continue to advance these efforts through 2025–26.
		Improved environmental reporting to the Australian Sheep Sustainability Framework and relevant global standards, addressing known data gaps with a focus on key carbon, water and land indicators	●	A new sustainability data reporting framework was developed and piloted, integrating multiple data sources to enhance analysis for wool and red meat industries. The system supports improved tracking of key indicators like freshwater use and carbon emissions, aligning with sustainability targets and reporting requirements. It also successfully demonstrated capability for European environmental standards. Early estimates of land use emissions per kilogram of product were produced nationally, with ongoing improvements enabling more detailed and timely reporting.
		Investigate effects of methane mitigating feed additives on the productivity of grazing sheep	●	MERiL 3.1 is evaluating the long-term effects of anti-methane feed additives on sheep productivity and health through a two-year grazing trial. Preliminary findings show no negative impacts on liveweight or wool quality for most additives, with some positive productivity results seen in specific treatments. Additional research is ongoing to identify feed additive combinations that reduce methane emissions while improving productivity, with results expected in the next fiscal year.

## SHEEP PRODUCTION

Program	Investment Focus	Target	Status	Commentary
TRAINING AND TECHNOLOGY TAKEUP	AWI will continue to develop and make available key industry resources on best management practices and existing technologies across all facets of sheep production. Resources will be made available through a range of mediums including print, app development and AWI websites. AWI will focus on providing resources online through wool.com and Learn About Wool	AWI leadership and practical skills events delivered to participants receive a satisfaction rating of at least 7.5/10	●	AWI piloted sheep classing workshops in Tasmania, which were well attended. Participant feedback was collected to identify potential improvements and gaps in the current model. This feedback is being used to evaluate and refine workshop materials and structure. The satisfaction rating target of 7.5/10 remains under review, with final survey results to inform future program development.
		AWI programs engage with 500 student participants each year	●	The 2024 School Wether Challenge attracted approximately 1,000 student participants across multiple states during the reporting period. The 2025 School Wether Challenge is currently underway, with more than 160 schools participating. Wool.com was recently updated to include a dedicated page for the School Merino Wether Competition, enhancing program visibility and engagement.
		20,000 views of AWI Education & Extension wool harvesting resources online	●	The online wool harvesting resources received 23,481 views during the reporting period, exceeding the 20,000-view target by 17.4%. This demonstrates strong engagement with AWI's educational materials supporting best practices across the industry.
	With the broader adoption of innovative approaches to wool harvesting, such as upright and mobile shearing, multi-purpose sheds and easier catch/drag/release methods, AWI will work with industry to develop and deliver applicable training components. The initiative of the woolhandler/shearing tool kits is to retain shearers and shed staff in the industry	3,700 novice and intermediate level participants supported through training by AWI	●	During the reporting period, 628 novice and intermediate participants were supported through AWI training programs. These efforts continue to support industry retention through training in innovative wool harvesting techniques. The lower number of participants reported this period is due to a new assessment methodology and improved data reporting processes, which provide a more accurate and consistent count compared to previous periods.
	AWI will continue to recognise elite shearing and wool handling through communication and promotion initiatives, as well as regional, state and national competition support	More than 1,000 participants in SportShear shearing and wool handling competitions nationally	●	More than 1,200 participants took part in SportShear shearing and wool handling competitions nationally in 2024-25, exceeding the target and reflecting strong engagement despite some outstanding reporting.
	Retention of wool industry participants through access to skills building opportunities to increase their capacity in leadership, business, industry promotion and their confidence in the future of the industry	Ongoing retention rate of 75% of those trained yearly	●	The program achieved the 12-month retention target of 75%.

## PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

### MARKETING

Program	Investment Focus	Target	Status	Commentary
TRADE MARKETING	Promote Merino wool as the optimal fibre for sustainable circular products	Increase of traffic to Wool Lab Digital	●	Traffic to The Wool Lab Digital reached 83,426 page views in 2024–25, [-26% YoY], reflecting limited promotional activity.
	Ensure EU environmental labelling proposals are fair to wool	<ul style="list-style-type: none"> <li>– Influence impending EU textile legislation and amplifying the ecological attributes of Australian Merino wool</li> <li>– Provide constructive solutions to make EU apparel labels meaningful and transparent for consumers</li> </ul>	●	The Make The Label Count (MTLC) campaign successfully advanced EU textile legislation advocacy, achieving more than 80 meetings with key EU stakeholders and significantly expanding coalition membership. Key wins include blocking a simplified single-score consumer label under current EU rules, influencing improvements in environmental footprint methodologies to better reflect wool's biodegradability and microplastic advantages, and securing validation of a more comprehensive French environmental impact methodology. These outcomes demonstrate strong progress toward fairer, science-based EU regulations that support the Australian wool industry's ecological credentials.
	Increase the trade following of The Woolmark Company (TWC) on social media	10% increase of following on TWC LinkedIn YoY	●	18% YoY increase in LinkedIn followers, growing from 25,821 to 30,791. Additionally, click engagement showed strong growth with a 52% YoY increase.
CONSUMER MARKETING	China Campaigns: Produce a content and commerce model with retail partner support to drive volume of wool sales	Increase brand awareness for Woolmark and Merino wool benefits in China by 3%	●	The 2024 China Autumn/Winter campaign significantly boosted Merino wool awareness by 27% and purchase intent by 14% compared to 2022, while Woolmark brand awareness and purchase intention increased by 25%. Consumers now perceive Merino wool as warm, soft, non-itchy, high-quality, and luxurious, with reduced concerns about cost and itchiness. The campaign strengthened the association of Merino wool with sustainability, recognising it as a natural, biodegradable material free from microplastic pollution. According to the 2024 IPSOS Global Consumer Survey, wool ranks highly among Chinese consumers for fabric consideration, and Woolmark remains the most recognised fibre certification logo, valued for quality and trustworthiness, with many consumers willing to pay a premium for natural and eco-friendly products.
		YoY increase wool sales driving partnership with major retailer	●	The China campaigns delivered strong growth through strategic retail partnerships and digital engagement. Key highlights include a 16% YoY increase in TMALL wool sales and a 67% YoY rise in wool sales during the Double 11 festival, supported by expanded brand participation, effective live-streaming, digital ads, and KOL collaborations. These efforts significantly boosted wool unit availability and sales volume, reinforcing market presence in China.

## MARKETING

Program	Investment Focus	Target	Status	Commentary
CONSUMER MARKETING	Eco Campaigns: Educate Gen Z and Millennial audiences on the negative effects on synthetics and the positive eco-credentials of wool	3% increase purchase intent of Merino wool through increased awareness of wool's sustainable benefits	●	The 2024 Eco Campaign (Wear Wool, Not Waste) effectively increased wool consideration from 53% to 63% (+19%) and maintained a strong average purchase intent of 75% across the US, UK, and France, exceeding industry benchmarks. Brand appeal for Woolmark stayed high at 79%, with 76% of consumers reconsidering the environmental impact of their clothing and 75% factoring fabric choice into purchase decisions. Additionally, 81% believed wool is environmentally gentle, a 1% increase YoY. IPSOS data showed wool's perception as "environmentally friendly" rose by 11% from 2022 to 2024, with purchase intent growing from 18% to 21%. Overall, the campaign met its target, shifting consumer attitudes and purchase intent toward wool's sustainable benefits.
		Increase in average purchase intent of wool by 2% for the Eco Consumer campaign	●	The 2024 Eco Campaign ('Wear Wool, Not Waste') significantly lifted wool consideration by 10% and achieved strong global engagement, with 75% average purchase intent, 79% brand appeal, and high consumer alignment with wool's environmental benefits across the US, UK, and France. However, the specific target of achieving a 2% increase in average purchase intent for wool was not met, leaving the overall result as partially achieved despite the campaign's many positive indicators.
	Social Media: Increase education on wool's benefits among the Gen Z and Millennial audiences	Grow followers with a focus on the Gen Z audience, across TikTok and Instagram by 15%	●	Achieved 59% YoY follower growth on social media, primarily driven by engagement with Millennial audiences, reflecting a strategic focus aligned with budget adjustments.
		Grow reach and engagement across our owned social channels by 15%	●	In 2024–25, social media reach and engagement grew substantially. Reach increased by 407% and engagement by 200%, while video views rose by 264%, driven by targeted content and strategic adjustments, with a primary audience of Millennials aligned to 2025–26 marketing priorities.
	PR/Earned Media: Increase the share of voice for Merino wool and Woolmark through high profile collaborations, impactful consumer campaigns and influencer amplification.	15% increase in the share of voice YoY for wool and Woolmark	●	Woolmark's share of voice increased significantly in 2024–25, with media clippings rising 30% YoY and total reach exceeding 24 billion across print, social, and digital channels, supported by high-profile campaigns and influencer partnerships.
	Fashion Collaborations: Bolstering sales and purchasing intent for wool's core categories, particularly in fashion and accessories through celebrity/influencer content, performance ads, and aggregated wool shopping hubs with brand partners	Secure a minimum of 4 high-volume brand and/or retail partners	●	High-volume fashion retail partnerships were completed with TMALL (China), Rakuten (Japan), Musinsa (Korea), Saks (USA) and Ajio Luxe (India) in 2024–25.  In addition, fashion partnerships were completed with Onward Group (Japan), Sanyo Shokai (Japan), World Group (Japan), Cambridge Members (Korea), Brentwood (Korea), McMullen (USA), Lafayette 148 (USA) and Tod's (Italy).
		Uplift in brand/retailer intent to increase wool product categories	●	Across 2024–25, key fashion retail collaborations – including Tmall (China), Saks Fifth Avenue (USA), Musinsa (Korea), Rakuten Fashion (Japan), and Ajio Luxe (India) – delivered strong commercial results, such as +20% YoY growth in TMALL Wool Week participation, +124% YoY uplift in wool sales on Saks.com, +118% YoY increase in wool products promoted by Musinsa, and +28% YoY increase in wool revenue via Ajio Luxe. Meanwhile, a brand and retail survey found that 89% of respondents intended to maintain or grow wool use, with 24 of 28 brands considering new wool categories in formal and casualwear.

## PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

### MARKETING

Program	Investment Focus	Target	Status	Commentary
CONSUMER MARKETING	Performance Collaborations: Build credibility for Merino wool as a performance fibre through tactical brand partnerships and sponsorships with sporting events	Secure a minimum of 2 high-profile sporting event/team sponsorships	●	During 2024–25, despite budget constraints, Woolmark focused high-profile sponsorship efforts on Luna Rossa Prada Pirelli, supported by key partnerships with Mizuno, Goldwin, TaylorMade, Circle Sportswear, KWAY, and the Venice Gondoliers, while also initiating new collaborations with the Swedish Ski Team (in partnership with Mizuno), and global sports brand Under Armour, with these initiatives set to continue into 2025–26.
		Uplift in brand/retailer intent to increase wool product categories	●	In 2024–25, 89% of surveyed brand and retail partners reported they would maintain or increase their use of wool following their collaboration with Woolmark, while 21% of total respondents expressed intent to explore wool sportswear as a new product category.
TALENT DEVELOPMENT	International Woolmark Prize (IWP) celebrates outstanding fashion talents from across the globe who showcase the beauty and versatility of Australian Merino wool. It is the world's oldest and most prestigious award for rising fashion stars. The IWP will be restructured to be held every two years from 2024.	Drive long-term industry advocacy with a minimum of 50% of surveyed IWP alumni continuing to use and promote of wool post-involvement in the prize	●	The 2024 International Woolmark Prize Alumni Survey demonstrated strong continued industry advocacy, with 89% of respondents likely to communicate wool's fibre benefits and 100% likely to highlight its eco credentials in their marketing. Additionally, 89% of alumni reported including more than 20% wool in their Autumn/Winter collections, and over two-thirds introduced three or more additional wool units following their participation in IWP.
		Secure a minimum of 4 new business development leads as a result of the prize	●	The 2025 International Woolmark Prize generated six new business development opportunities, exceeding the annual target. Highlights include Saks Fifth Avenue joining the Retail Partner Network; finalists taking creative director roles at Marni and Jean Paul Gaultier; and new collaborations emerging with LUAR x Venus Williams for wool performance apparel. The event also secured first-time media coverage by <i>Harper's Bazaar</i> France, enhancing Woolmark's visibility in key European fashion markets.
		Improve Woolmark's reputation through a minimum 10% increase in the share of voice for Woolmark and Merino wool	●	The International Woolmark Prize 2025 generated more than 3,000 global media clippings and earned media value of \$21.6M, reinforcing wool's relevance in fashion. While share of voice declined compared to 2023, this was driven by a strategic shift toward more targeted, high-impact events and reduced finalist announcement activity. Despite the lower volume, the campaign maintained strong brand equity outcomes, positioning Woolmark and Merino wool as premium and culturally relevant in the global fashion landscape.
		Build fibre advocacy among trade and consumer audiences through YoY uplift across social media results and website analytics to build fibre advocacy among trade and consumer audiences	●	Despite budget reductions limiting social content and paid media, the International Woolmark Prize achieved solid digital engagement in 2024–25 with 3.5 million social reach, 75,000 engagements, and 47,699 website page views.

## MARKETING

Program	Investment Focus	Target	Status	Commentary
TALENT DEVELOPMENT	The Woolmark Performance Challenge (WPC) will be restructured to be held every two years and will evolve to be platform generating product solutions for the performance industry with all of industry	10 new leads for sports industry brands and stakeholders	●	The WPC has transitioned into a biennial event aimed at driving innovation and collaboration within the performance industry, targeting 10 new leads from key sports brands. Over the past year, progress includes launching a competition with Alpinestars, with further business leads anticipated following the promotion of submitted innovations in November 2025, when final results will be reported.
		2 additional industry placements focused on commercialisation of presented concepts	●	In 2024-25 the competition received 130 submissions, with judging ongoing as of July 2025; finalists will be matched with commercialisation partners through Woolmark's global network, with final results to be reported at the end of 2025.

## CONSULTATION

Program	Investment Focus	Target	Status	Commentary
WOOLGROWERS	AWI will continue to improve the wool.com website to increase navigability and increase traffic	Increase page views on Wool.com website by 5%	●	While total page views on Wool.com remained stable at 334,714, this is likely an underreported uplift due to improved accuracy in tracking methods compared to prior years.
	AWI provides a wide array of print and digital communications to engage woolgrowers with clear, relevant, engaging and accessible content	High level of member satisfaction rating (above 5.8/10) with communication from AWI	●	The Woolgrower Sentiment Survey will be done in 2026.
		Growing engagement through electronic distribution of <i>Beyond the Bale</i> using the latest government data on woolgrowers. This will save cost and will have positive impact on the environment as we are slowly moving away from paper-based distribution	●	There were 2,855 page views and 1,340 sessions on the <i>Beyond the Bale</i> section of wool.com The <i>Beyond the Bale</i> e-newsletter was sent to an average of 8579 recipients, an increase from the previous year.
	Through the 6 extension networks, AWI will disseminate resources on best management practices, new and existing technologies and look to make these readily available	Maintain number of active participants in AWI extension initiatives	●	Over the past six months, AWI Extension Networks reported 15,348 active participants, supported by improved database management following the transition to the AWI operating system.
		AWI workshops delivered to participants receive a satisfaction rating of 7.5/10 (evidenced by exit surveys)	●	Over the past 12 months, AWI Extension programs delivered through six networks achieved an average participant satisfaction rating of 8.61/10, with feedback supporting ongoing improvements to content and practical examples.
INDUSTRY	Regular interaction with members of the WICP/WCG	Increase member satisfaction in the industry forums WICP/WCG	●	Survey will be carried out in September 2025.



## PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

### MARKET ANALYTICS

Program	Investment Focus	Target	Status	Commentary
EMERGING MARKETS	Through advertising with local trade publications and partnerships with local textile associations we aim to increase awareness or introduce wool/Woolmark to new markets in the manufacturing supply chain	Building brand/wool awareness in the manufacturing supply chain in new markets through: <ul style="list-style-type: none"> <li>– Advertisements in local textile publication – 10 adverts across 3 markets</li> <li>– Run wool seminar/technical workshop – one in one new market</li> </ul>	●	Advertisement targets were met, wool training was successfully conducted in Vietnam in May, and leads generated surpassed expectations despite the Dhaka Denim Expo postponement to October due to health and regional unrest.
	Establish and support new supply chain partners who are interested in or want to increase their knowledge of wool. Visiting tradeshow in Latin America and Asia region to build trade leads and conduct market research.	Connecting the supply chain and establishing new supply chain partners. Meet with 50 new supply chain partners in three new markets.	●	More than 50 new supply chain partner connections were established in 2024-25, with strong engagement in Portugal, Bangladesh, and Vietnam, while activity in Latin America was scaled back in line with 2025-26 resourcing priorities.
		Visit 6 tradeshow in 3 new markets	●	Attended seven (three exhibited at, four attended) tradeshow in 2024-25, exceeding the target and strengthening lead generation, market intelligence, and brand visibility, with Woolmark actively engaged as both exhibitor and presenter.
SUPPLY CHAIN INITIATIVES	Collaborate with the Australian wool industry bodies and government bodies to enhance Australian wool traceability systems	Support the enhancement of Australian Wool Traceability Hub (AWTH) based on industry priorities	●	The AWTH established a formal governance framework, delivered priority initiatives aligned with industry needs, and secured ongoing support and funding from key stakeholders, including AWTA.
	Support a strong brand identity for Woolmark by connecting Woolmark Licensees with the quality, sustainability and versatility of Australian wool industry including woolgrowers, wool sellers and wool buyers.	Service all connection requests from licensees.	●	Woolmark serviced all licensee connection requests by completing pilot traceability projects with Sanyo Shokai and Labi, developing an interim data transfer solution with Textile Genesis, and actively engaging brands such as Uniqlo, demonstrating how Woolmark certification can be verified through the supply chain and strengthening the brand's role in supporting credible product claims.
		Develop and implement a feature on Woolmark.com that enables users to submit requests for connecting with the wool industry	●	Woolmark completed the design and review of a new feature for Woolmark.com to enable connection requests with the wool industry, briefed wool brokers on its functionality, and commenced technical development, though implementation has been delayed due to resourcing challenges and will now proceed as part of the Woolmark+ roadmap.
BUSINESS INTELLIGENCE	Maintain the most valued market intelligence in the wool industry. Build demand and subscriber numbers as an indication of quality, well presented and sought after information. Provide forecast analysis and insights into global trends to inform business owners of threats and opportunities across the supply chain.	80% of users of AWI's Market Intelligence report give it a 7.5/10 or higher rating.	●	Survey to be conducted.
		Maintain subscriber numbers on the Market Intelligence website	●	Subscriber numbers remained relatively stable over 12 months, with Daily Reports at 3,815 [-3.52% YoY] and Weekly Reports at 4,137 [-3.66% YoY] .
		Market Intelligence area on AWI website receives 10,000 views per month	●	The Market Intelligence section on the AWI website received 115,481 views in 2024-25, averaging 9,623 views per month.

## MARKET ANALYTICS

Program	Investment Focus	Target	Status	Commentary
FIBRE SCIENCE	Generate high-quality LCA datasets for wool's supply chain for provision to environmental rating schemes.	Creation of high-quality wool LCA datasets.	●	AWI's Environmental Footprint (EF) dataset has been accepted as EF-compliant and functional for use in PEF. The European Commission has accepted this data in PEF which has resulted in a six-fold reduction in the Product Environmental Footprint (PEF) score for the environmental impacts of the farming stage, which is the dominant life stage when determining the impacts of wool clothing. The fully aggregated datasets are housed on an AWI node, and are freely available for interested organisations to utilise, after signing a data sharing agreement.
	Collaborate with IWTO and other natural fibre industries to broaden the assessment of textile ratings agencies from the environmental 'harm-only' LCA approach to broader metrics, including 'environmental-good'.	Obtaining broader natural fibre industry support for improved metrics and engaged with textile rating agencies.	●	The AWI-initiated Make The Label Count coalition of natural fibre industries continues to advocate for improved environmental performance assessments, aiming to ensure that schemes like PEF, Ecobalyse, and Higg offer a level playing field across textile fibre types. Achieving more balanced metrics in these global frameworks is expected to take many years. AWI-commissioned research and resulting publications have helped ensure that proposed methodology improvements are robust and science-based. This work, led by AWI's Wool LCA Technical Advisory Group, is ongoing. After around five years of engagement, the European Commission has decided to defer the public reporting of PEF scores for the foreseeable future, recognising the need for further methodological improvements, including addressing microplastic release, better capturing biodiversity and biogenic carbon, and improving how circularity is measured.
FIBRE SCIENCE	Generate knowledge of wool's carbon account to inform delivery of Australia's climate goals as well as the Sheep Sustainability Framework	Assess the sheep industry's GHG emissions and opportunities for meeting Australia's national GHG commitments.	●	Assessment of the sheep industry's GHG emissions now informs the Sheep Sustainability Framework and Australia's climate goals. Findings show methane reductions by 2030 will likely fall short of the Global Methane Pledge, but Paris Agreement targets may still be possible with sustained effort. Ongoing work focuses on methane-reducing supplements, carbon sequestration strategies, and improving farm-scale measurement and reporting of environmental performance.
	Finalise research into wool's dynamic breathability and summarise the evidence base of wool's health and wellbeing attributes to enable ongoing promotion to the growing wellness and sustainability market.	Generate a comprehensive summary of wool's health and wellbeing benefits use for marketing.	●	A comprehensive summary of wool's health and wellbeing benefits has been completed to support ongoing marketing to the wellness and sustainability market. This resource will evolve as new research emerges. For example, a new test method better reflecting athlete performance is being finalised for inclusion in ASTM standards. These findings are supporting AWI's marketing and product development in the performance apparel sector.

## PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

### MARKET ANALYTICS

Program	Investment Focus	Target	Status	Commentary
WOOLMARK+ SUSTAINABILITY STRATEGY	Increased promotion of the circularity of wool.	Develop a strategy that: 1. Provides options and solutions to help woolgrowers improve on-farm productivity and natural capital, reduce/remove emissions and drive demand for wool through sustainable practices 2. Provides wool strategies to brands to assist them in hitting their sustainability goals 3. Future-proofs the Woolmark brand through a solution/ service which connects sustainability goals of the end-to-end supply chain.	●	In 2024-25, AWI successfully launched and embedded the Woolmark+ Sustainability Strategy roadmap, driving industry-wide engagement and positioning wool as a key fibre in the transition to circular and nature positive systems. Major achievements included the rollout of 13 practical initiatives, high-profile representation at global climate and fashion events, and the development of the Woolmark+ Australian Wool Insetting Program pilot, which secured government funding and strong brand interest. Woolmark+ facilitated global brand engagement through fellowships, forums, and direct investment briefings, while continuing to amplify woolgrower voices across the supply chain. Communications outcomes were strong, with significant media coverage and brand interactions reinforcing the strategy's impact and relevance.
	To support Australian woolgrowers to profitably produce the world's most sustainable fibre, optimal for circular, traceable products.			
	To position Australian woolgrowers as proactive, socially responsible and forward-looking stewards of the environment, building natural capital on their farms.			

### INDUSTRY DEVELOPMENT

Program	Investment Focus	Target	Status	Commentary
WOOLMARK	Ensure the Woolmark Licensing Program remains in demand and relevant for industry through current standards and procedures	Review relevant specifications and testing standards	●	In 2024-25, 5 existing specifications (LM-1, LM-2, LM-3, LD-1, LD-2) were reviewed and updated with latest program name "Wool Care". Name of spec AN-1 was updated to align with the branding name appeared on ticket and label. The Interior Textiles specs (IB-1, IB-2, IB-3 and IB-5) were updated to streamline the sub-brandings pursuing by licensee.
	Targeting new and existing brands and retailers with the value and benefits of the Woolmark Licensing Program	Quarterly Licensee updates	●	Licensee updates were successfully delivered each quarter via the newsletter and direct branding emails, with a continued focus on cross-company content delivery.
		Increase in number of licensees	●	Achieved a net increase of 60 licensees YoY.
EDUCATION AND EXTENSION	Educate brands, retailers and floor staff on the properties, benefits and diverse application of the wool fibre to increase wool sales via bricks and mortar stores and online portals.	Deliver global training programs across women's & men's fashion, sportswear, performance & protection wear and interiors to a minimum of 40 retailers.	●	A total of 54 retail training workshops were delivered to 48 brands globally, reaching more than 1,430 retail staff, with the Wool Appreciation Course being the most frequently delivered, followed by sessions on Sustainability and Innovations.

## INDUSTRY DEVELOPMENT

Program	Investment Focus	Target	Status	Commentary
	Investing in the education of the supply chain to enhance the growth of wool processing and production expertise within the textile and garment industry. This investment will be directed towards development center content upgrades targeted trade workshops and seminars.	5 Activations at global development centres.	●	<p>A total of 10 activations were delivered at global development centres across key locations, including China, the UK, and Portugal:</p> <ol style="list-style-type: none"> <li>1. Donghua Wool Education Centre, China – September 2024</li> <li>2. RedSun, China new Showroom – October 2024</li> <li>3. Xinao Wool Development Centre, China – October 2024</li> <li>4. Mills Fabrica, UK Workshop – September 2024</li> <li>5. Mills Fabrica, UK Panel Talk – September 2024</li> <li>6. La Caserne, Portuguese Supply Chain Workshop – February 2025</li> <li>7. Donghua Wool Education Centre, Suedwolle Workshop, China – March 2025</li> <li>8. Mills Fabrica, UK TWL Drop-in Event – April 2025</li> <li>9. Mills Fabrica, UK Suedwolle Innovation Open Workshop – June 2025</li> <li>10. Mills Fabrica, UK Suedwolle Innovation Exclusive Workshop – June 2025</li> </ol> <p>The activations in Q3 and Q4 maintained strong engagement with top-tier supply chain partners and were strategically aligned with flagship trade shows, industry events, delegations, and the release of The Wool Lab editions and supporting assets to maximise impact.</p>
EDUCATION AND EXTENSION	Focusing investment at exhibiting at prominent global trade shows to actively engage with trade partners to stimulate adoption of wool	Exhibit at 14 trade shows	●	<p>In 2024–25, AWI successfully exhibited at 14 major international trade shows, holding a total of 328 key meetings. These events included:</p> <ul style="list-style-type: none"> <li>– Milano Unica, Italy – July (17 meetings) and February (19 meetings), focusing on apparel fabric.</li> <li>– Preview, Seoul, Korea – August (6 meetings), apparel fabric.</li> <li>– Cobalt, Hong Kong – August (4 meetings), fabric and yarn.</li> <li>– Outdoor Sports Valley, France – October (5 meetings), sports performance.</li> <li>– Functional Textiles, China – October (35 meetings), sports performance.</li> <li>– Performance Days, Germany – October (34 meetings) and March (38 meetings), sports performance.</li> <li>– Japan Creation, Japan – November (13 meetings), apparel fabric.</li> <li>– Functional Fabric Fair, USA – November (39 meetings), sports performance.</li> <li>– Pitti Filati, Italy – January (39 meetings), fibre and yarn.</li> <li>– Bharat Tex, India – February (32 meetings), industry textiles.</li> <li>– VIATT, Vietnam – February (27 meetings), apparel fabric.</li> <li>– PV Denim, Italy – May (20 meetings), denim apparel.</li> </ul> <p>Two important adjustments were made due to external factors:</p> <ul style="list-style-type: none"> <li>– The Bangladesh Denim Expo scheduled for April was postponed because of unrest in the region.</li> <li>– The Pitti Filati event originally planned for June 2025 was rescheduled to 1 July 2025, moving it into the next financial year (2025–26)</li> </ul>

## PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

### INDUSTRY DEVELOPMENT

Program	Investment Focus	Target	Status	Commentary
EDUCATION AND EXTENSION	Educate next generation of fashion designers to ensure adoption of wool in future garment collections and educate textile engineers to ensure ongoing expertise and knowhow within the industry	Adoption and participation in the Learn About Wool primary and secondary nation education program	●	A total of 275 teachers registered and ordered a LAW Kit over the past 12 months, exceeding the annual target. This growth reflects the continued value of the kits in Australian classrooms and is largely attributed to promotion at events such as the Primary Industries Education Foundation Australia (PIEFA) Conference.
		Maintain participation in tertiary fashion and textile engineering education programs Number of students participating in tertiary education programs	●	Exceeded student engagement target by 9%, reaching 5,935 participants through 114 workshops – 60% face-to-face – with the Woolmark Performance Challenge driving more than half the sessions, mainly across key markets like Italy, Japan, China, and Australia.
		Increase Woolmark Learning Centres course completions by 5%.	●	2,325 courses were completed, exceeding the target of 2,189 by 6% and up 18% from last year – the highest on record. Top courses were Wool Appreciation (445 completions, 19%), Wool Introductory (315, 14%), and Knitwear Design and Make (292, 13%). Undergraduates made up 49% of completions (1,136), largely driven by the Woolmark Performance Challenge. Leading countries were Australia, Italy, India, Japan, and the UK.
		1 new course development on Woolmark Learning Centre platform	●	Making More from Sheep (Wool Production Program) was launched in August 2024.
PROCESSING AND PRODUCT INNOVATION	By providing technical support and facilitating technical transfer the investment focus will empower the AWI/TWC technical team to spearhead product & processing innovations. This initiative aims to enhance industry capabilities both in established and emerging global markets	Increase the adoption rate by 5% in established markets	●	Completed 78 technical transfer initiatives with industry partners during the year, driving innovation, technology integration, and greater industry uptake of new solutions.
	Research and investment in cutting edge technologies which are focused on sustainable processes	Expanding our portfolio of sustainable processes offered to industry for adoption.	●	In 2024-25, 43 sustainable process projects were completed or in progress, including: – Natural Dyes x 2 – Alternative Dyes x 10 – Waterless Dyes x 2 – Seamless Knitting x 15 – Whole Garment Knitting x 1 – Digital Print x 5 – Sustainable Blends x 5 – Recycled Wool x 1 – Finishing x 2
	Whilst continued focus will be on fashion, we will explore new market categories in work, health & safety, extreme sportswear and interiors to broaden wools presence	Increase number of brand collaborations – Expand geographic reach by 5%	●	Achieved 50 brand collaborations across diverse sectors – including sports (17), fashion (8), interiors (5), and medical (3) – surpassing targets through strategic lead generation via Woolmark offices, trade shows, seminars, The Wool Lab and industry connections.
	The Wool Lab remains a leading global sourcing and inspirational tool to showcase commercial products and process options for yarns, textiles and processes	Maintain market exposure of TWL through individual meetings, seminars and workshops	●	The Wool Lab received 9,812 swatch requests – 23% below target due to a 39% reduction in available swatches – while Wool Lab Digital maintained strong engagement with 855 registrations, reflecting continued global interest and platform resilience despite budget constraints.

## CORPORATE SERVICES

Program	Investment Focus	Target	Status	Commentary
PEOPLE & CULTURE	People and Culture – Source, nurture and retain the best available talent for the business and ensure they have the required skills, processes, support, training and working environment to facilitate them performing at their best to deliver for woolgrowers. Fostering and nurturing a culture that has integrity, respect, and transparency at its core, and that celebrates diversity and inclusiveness.	Implement an Employee Value Proposition to demonstrate the value current and future employees will gain through being an AWI/TWC employee.	●	<ul style="list-style-type: none"> <li>– Launched a Culture Committee with 16 members across all regions, focusing on engagement, DE&amp;I, L&amp;D, team building, and wellbeing.</li> <li>– Delivered mental health workshops globally and rolled out leadership training in Asia and Australia.</li> <li>– Continued to enhance social media content, particularly on LinkedIn, showcasing AWI/TWC as an employer of choice.</li> <li>– Successfully released three editions of The Knitty Gritty newsletter, celebrating employees and providing education on policies and initiatives.</li> <li>– Ongoing growth in team building and wellbeing initiatives, reinforcing a positive, inclusive workplace culture.</li> </ul>
		Increase Employee engagement across the business	●	<ul style="list-style-type: none"> <li>– Culture Committee established with 16 representatives across all regions. Two meetings held (February &amp; June 2025), with active engagement from members gathering and addressing regional feedback – team building emerged as a key focus area.</li> <li>– Three editions of The Knitty Gritty newsletter released, celebrating staff, promoting global team building opportunities, and guiding teams on how to access them.</li> <li>– Executive endorsement of these initiatives was shared in a global update from the GM, People &amp; Culture.</li> </ul>
		Enhance employee wellbeing across the business	●	<ul style="list-style-type: none"> <li>– Health and wellbeing support strengthened through clearer communication that sick leave can be used for annual health checks, with plans to expand this messaging globally.</li> <li>– Team building initiatives promoted via multiple channels, including the Culture Committee, newsletters, and executive updates – several regions have already participated, with more planned.</li> <li>– Mental health and wellbeing workshops delivered globally, both in-person and online, with strong attendance and ongoing partnerships to expand offerings.</li> <li>– Employee Assistance Program (EAP) continuously promoted to raise awareness and encourage greater engagement.</li> </ul>
		Diversify our learning and development framework to focus on industry training and team building.	●	<ul style="list-style-type: none"> <li>– Leadership development programs rolled out across Australia and Asia, with participation from employees in China, India, Japan, and Korea.</li> <li>– Team building activities increased to strengthen engagement and collaboration across teams.</li> <li>– Culture Committee and Executive communications have actively promoted access to learning opportunities, with committee members tasked to share this within their regions.</li> <li>– Ongoing focus on clear and consistent messaging about the importance of L&amp;D and how to access it.</li> </ul>

## PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

### CORPORATE SERVICES

Program	Investment Focus	Target	Status	Commentary
MEASUREMENT AND EVALUATION	Measurement and Evaluation – provides a framework to measure, analyse, evaluate, and report on the performance of AWI's investments on behalf of its stakeholders, implements and updates systems and processes to assist in the consistent collection and analysis of information and data to inform investment decisions and report against AWI strategic and operational targets	Conduct 3 impact assessments of RD&E and marketing investments annually. Successfully drive all DOMO and SurveyMonkey requests to Optimizely	●	Two impact assessments conducted: 1. IWP 2. Mizuno All DOMO and SurveyMonkey requests successfully driven to Optimizely.
FINANCE	Finance – monitor and manage corporate financial compliance and reporting requirements globally, acknowledging the complexity and changing governance requirements across the company's global footprint. Manage the company's global investment and foreign currency exposures within the approved policies to safeguard corporate funds and minimise currency risk exposure. Provide useful and accurate financial reports to the business to enable effective decision making that meets the global financial compliance requirements.	Timely financial reporting to internal and external stakeholders	●	All Reports submitted in a timely manner, new Domo dashboard released.
		Unqualified audit report delivered	●	Audit completed and accounts set to be signed with unqualified report.
INFORMATION TECHNOLOGY	Information Technology – provide support to the business for all hardware and software requests. Implement Service Level Agreement (SLA) to monitor support requests and average time taken to resolve issues.	Maintain or increase SLA 90% of time	●	SLA achieved 98% of time.
		Resolution of IT issues within 24 hours	●	The average resolution time for IT issues was less than 24 hours.
DIGITAL	Digital- provide support to business for digital requests, such as, EDMS, Website changes and Salesforce improvements. Gauge the perception of people on ease of using the systems and make improvements accordingly.	Increase SLA 90% of time	●	SLA achieved 98% of time.
		Maintain or increase average ease of use rating for Digital systems	●	Average ease of use rating for digital systems was 8.4/10 (+25.3% YoY).
LEGAL	Legal – supports staff with commercially sound legal solutions. In addition to providing legal advice, the team is responsible for managing the company's Intellectual Property (IP) Portfolio and advising on IP matters, assisting with corporate governance matters and company secretary work for AWI and TWC and its subsidiaries and advising on privacy and data protection matters.	Implement the automated contracting system in Salesforce	●	Digital Contract Automation: 90% of contracts are now executed through digital signing software, streamlining the signing process, ensuring compliance with financial delegations, and improving efficiency. People can now send Confidentiality Agreements through CRM with signing requirements for one vendor and one AWI financial delegate.
		Digital contract creation will reduce time spent and increase efficiency and adherence to processes	●	While contract execution is fully digital, creation remains partially manual. Contract review process is still on-going.
		Initial response time on contract within 48 hours	●	Average initial response time on email correspondence is 48 hours.





SHEARER & WOOL  
HANDLER TRAINING:  
SCAN ME  
AWI Australian Wool  
Innovation Limited

Heiniger

The AWI Young Sheep Producers Challenge involved students from WA agricultural colleges competing at the Perth Royal Show in September. Teams of six students from each college competed, with two of each team's students assessed on shearing, two assessed on woolhandling, and two assessed on ewe selection.





THE ANNUAL REPORT IS AVAILABLE ON  
**WOOL.COM**