

PROGRAM ACHIEVEMENT REPORT 2025-2026

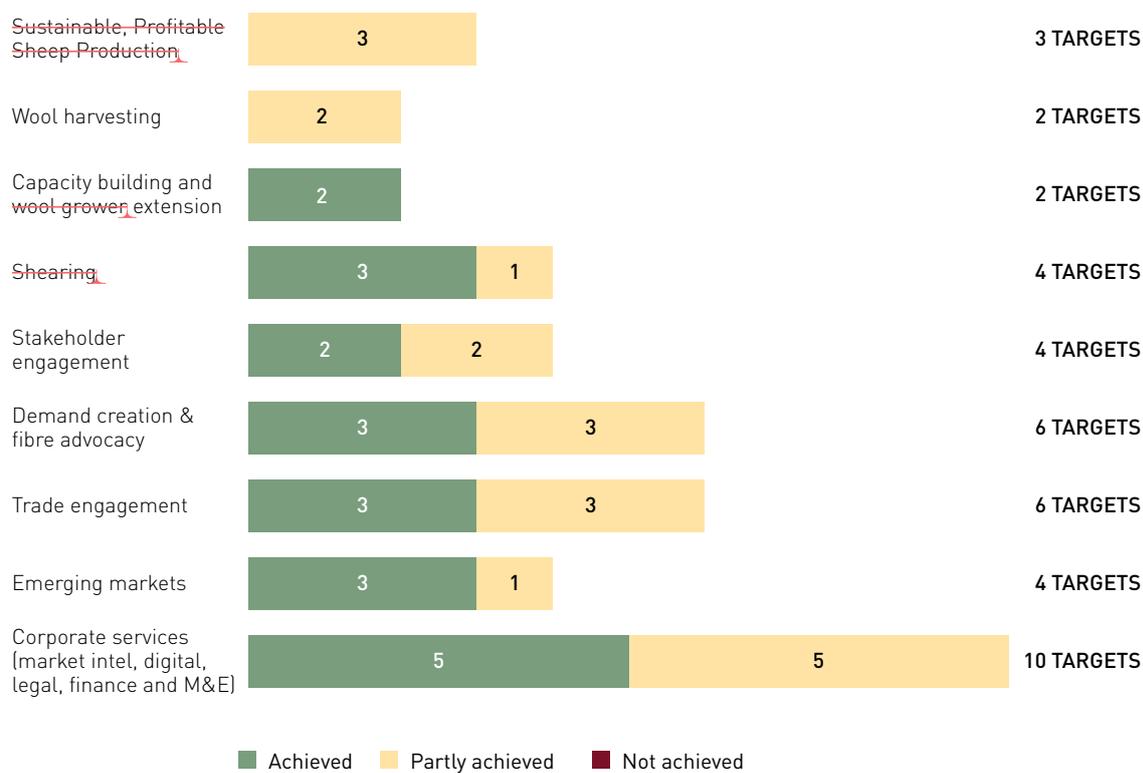
Australian Wool Innovation's mission is to enhance the profitability, international competitiveness and sustainability of the Australian wool industry.



PROGRAM ACHIEVEMENT REPORT ~~2025-2026~~



This document provides a summary of achievement against the 2025–26 Annual Operating Targets. The graph below shows the status of the programs under each portfolio as of 31/12/2025. The program statuses in green have been achieved, the ones in amber were close to being achieved but not fully met and/or were impacted by seasonal conditions, and the ones in red were close to being achieved but due to certain factors could not be met.



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

SUSTAINABLE, PROFITABLE SHEEP PRODUCTION

Program	Investment focus	Target	Status	Commentary
SUSTAINABLE, PROFITABLE SHEEP PRODUCTION	Integrated R&D to improve woolgrower productivity, cost-efficiency, and resilience through practical tools and knowledge for decision-making and risk management	Deliver integrated R&D projects that improve woolgrower productivity and risk management	●	A portfolio of integrated on-farm R&D projects is underway to support woolgrower productivity, cost-efficiency and resilience through practical decision-support tools and improved risk management. Investments span genetics, nutrition, animal health, environmental sustainability and precision technologies, including Merino Lifetime Productivity and Add On projects, methane-mitigating feed additive research, natural capital monitoring, electronic identification and LiDAR imaging. Extension programs such as ParaBoss continue to provide region-specific parasite management guidance to support cost control and resistance mitigation.
	Research aligned with Woolmark+ to support environmental sustainability, animal health and welfare, climate resilience, and premium market access	Deliver research aligned with Woolmark+ initiatives	●	Research aligned with Woolmark+ initiatives continues to support environmental sustainability, animal health and welfare, climate resilience and premium market access. Activities include methane mitigation research, remote sensing and nature-positive farming pilots, biogenic carbon case studies and environmental sustainability extension to assist woolgrowers in monitoring and improving on-farm natural capital and drought resilience. Flystrike control solutions aimed at reducing chemical reliance and supporting transition to non-mulesed production are also progressing.
	Breeding tools to support sheep genetics, emissions reduction, and business resilience through improved woolgrower efficiency and adaptability	Develop and disseminate breeding tools that enhance woolgrower resilience and efficiency	●	During the reporting period, AWI progressed the development and dissemination of breeding tools that support woolgrower resilience and efficiency. Breeding values for key traits including methane emissions, flystrike resistance and footrot resilience were delivered to ram breeders and industry participants to support improved genetic selection. Data generated through the Merino Lifetime Productivity program also contributed to ongoing enhancements of the MERINOSELECT evaluation system and breeding indexes, ensuring the latest research outcomes continue to strengthen breeding tools available for commercial woolgrowers.
WOOL HARVESTING INITIATIVES	Wool harvesting research to provide alternatives to traditional shearing and improve clip quality and preparation	Advance the development of wool weakening technologies to improve shearing efficiency	●	Research into wool weakening technologies is progressing to support potential improvements in shearing efficiency and clip preparation. Phase 1 of the Adelaide University Bioharvesting project has been completed, identifying wool-hardening pathways, validating follicle culture systems and demonstrating feasibility under on-farm conditions. Phase 2 contracting is underway, focusing on identifying an effective wool-weakening agent, refining delivery systems, scaling sheep trials with a commercial partner and progressing regulatory engagement.

PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

SUSTAINABLE, PROFITABLE SHEEP PRODUCTION

Program	Investment focus	Target	Status	Commentary
WOOL HARVESTING INITIATIVES	Animal welfare assurance as a core requirement in the development of alternative harvesting solutions	Ensure wool weakening R&D incorporates robust animal welfare and safety assessments	●	Animal welfare and safety requirements continue to be embedded within wool weakening R&D through independent ethics oversight and improved methodologies. Animal Ethics approval has been obtained for Phase 2 live sheep trials. Laboratory follicle culture systems have progressed to enable faster and more cost-effective screening of fibre-weakening agents, reducing reliance on live animal trials.
CAPACITY BUILDING & WOOLGROWER EXTENSION	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 participant engagement in AWI extension initiatives	●	Active membership across AWI's six Extension Networks totalled 15,427, comprising NSW (6,017), QLD (1,742), SA (2,729), TAS (693), VIC (2,209) and WA (2,037). A slight increase in member numbers was recorded over the six months. Attracting new mailing list sign-ups remains challenging.
	AWI will improve and broaden best management practices of new and existing technologies	AWI workshops delivered to participants receive a minimum satisfaction rating of 7.5/10	●	AWI workshop participants reported average ratings above the minimum satisfaction benchmark of 7.5/10. Satisfaction was rated at 8.74/10. Results varied across individual workshops, but all exceeded the target threshold.
SHEARING	Retaining skilled wool harvesting staff to sustain workforce supply and maximise ROI on training programs	50% retention rate for trained wool harvesting staff	●	Follow-up data indicates a 92% retention rate among trained wool harvesting improver participants.
	Quality assurance and relevance of AWI-funded wool harvesting training programs	Average satisfaction rating of 8.10 or higher	●	Program quality and relevance will be assessed through post-training satisfaction surveys scheduled before the end of the financial year, with results to be reported in the next reporting period.
	Skill improvement within the wool harvesting workforce to improve skills depth and staff morale	≥200 wool harvesting staff progressing to intermediate or improver level annually	●	Training records indicate that 961 wool harvesting staff progressed to intermediate or improver level across Improver, In-shed Shearing and In-Shed Wool Handling programs.
	Expansion of on-demand, scalable learning tools to improve accessibility and training reach	≥1,200 views per year of AWI digital wool harvesting resources by wool harvesting staff	●	Digital Shearer and Wool Handler training resources recorded 3,987 page views over the six-month period.
STAKEHOLDER ENGAGEMENT	Regular interaction with members of the WICP (Woolgrower Industry Consultation Panel) and WCG (Woolgrower Consultation Group)	Maintain member satisfaction in the industry forums WICP/WCG	●	Member satisfaction will be assessed through an annual survey of representatives and members, scheduled to be conducted before the end of the financial year. Results will be reported at the next reporting period.
	AWI provides a wide array of print and digital communications to engage woolgrowers with clear, relevant, engaging and accessible content	Growing engagement through electronic distribution of Beyond the Bale	●	Electronic distribution of Beyond the Bale reached 8,394 recipients and generated 541 clicks to linked content. Reach was slightly lower than the same period last year (8,579), with engagement monitored through EDM performance and associated website traffic reporting.
		Woolgrower's satisfaction with communications from AWI	●	The Wool Grower Sentiment Survey will be carried out before the end of the financial year, results to be reported at the next reporting period.
AWI will continue to improve the wool.com website to increase navigability and increase traffic	Maintain pageviews on wool.com	●	Wool.com recorded 379,853 pageviews from 1 July to 31 December 2025, a 13.5% increase on the same period last year (334,714).	

DEMAND CREATION AND FIBRE ADVOCACY

Program	Investment focus	Target	Status	Commentary
DEMAND CREATION AND FIBRE ADVOCACY	Consumer education, brand and influencer engagement	1% increase in awareness of and consideration for Merino wool in USA/China	●	The China A/W campaign increased Merino wool awareness by 11% among campaign audiences and 26% compared with 2022, and Woolmark awareness by 5% among campaign audiences and 16% compared with 2022. US Ambassador brand lift results are expected in early 2026.
	Engaging and educational content creation	Grow reach and engagement across our owned social channels by 15%	●	Owned social channels achieved 7% year-on-year growth in reach. Total video watch time across Instagram and TikTok reached three years and eight months. Instagram engagement declined by 25% year on year following Q2 FY25 campaign peaks and reduced budget levels, while reach continued to increase.
	Partner with leading brands and retailers in the premium fashion and performance categories	Secure 4 high-volume fashion brand/retail and 4 innovative performance partnerships	●	High-volume fashion and retail partnerships were delivered across global markets between July and December 2025, including TMALL China, PORTS, Onward, Sanyo Shokai, World Group, Musinsa, Shinsegae International, Saks, Neiman Marcus, McMullen, Tod's, Ajio Luxe and Tata CliQ. Performance partnerships were established with ANTA, Under Armour, Mizuno, The North Face, Ciele and Huckberry, supported by sponsorships including LUAR x Venus Williams, the Swedish Ski Team and Mike Horn's What's Next expedition.
	Brand engagement, conversion marketing to drive purchases of the partners' commercially available wool products	Average 10% year on year uplift in wool sales with brand and retail partners	●	A/W2025 partner performance exceeds the 10% year-on-year uplift target, with reporting partners delivering an average 31% increase in wool sales (\$) and a 17% increase in wool units sold. Performance by partner includes Ciele (+11% sales value, -7% units), Huckberry (+54% sales value, +15% units) and Ajio Luxe (+27% sales value, +42% units). Revenue growth exceeding unit growth overall indicates a positive product mix and premium positioning effect. Year-on-year comparisons are not available for TataCliq and Neiman Marcus as first-year partnerships. Saks recorded a 44% decline in wool sales (\$) due to business disruption and has been excluded from the reported average. Results from PORTS, Onward Group, Sanyo Shokai, World Group, Under Armour, Mizuno, Musinsa, McMullen, Shinsegae International and The North Face will be incorporated into reporting in July
	High profile collaborations, influencer engagement, industry and trade-relevant product development, innovation and research	3,500 earned media clippings relating to Woolmark and Merino wool	●	At the half-year mark, 2,145 earned media clippings have been delivered against the FY26 target of 3,500 (61% achievement). Coverage generated an aggregate reach of 1.8 billion across social, digital and print channels, with digital accounting for the majority of exposure
	Engagement with European policy makers and advocacy of wool's positive benefits	Influence impending textile legislation and amplify the ecological attributes of Australian Merino wool	●	Engagement through the Make The Label Count coalition included 14 new members and 3 meetings with Members of the European Parliament. Representation was secured on the EU Ecodesign Forum. Developments in the Green Claims Directive reduced risk associated with Product Environmental Footprint methodologies. Ongoing engagement supports refinement of EU environmental footprint approaches, including biodiversity, microplastics and soil carbon considerations.
TRADE ENGAGEMENT	Empower global retail partners with wool knowledge to strengthen fibre advocacy	Deliver retail education programs to a minimum of 40 brands globally	●	Retail education programs were delivered to 12 brands, reaching 686 retail staff globally. China recorded the highest participation. Engagement remains below the same period last year, with new promotional assets being deployed to support uptake.

PERFORMANCE AGAINST ANNUAL PLAN TARGETS (CONTINUED)

DEMAND CREATION AND FIBRE ADVOCACY

Program	Investment focus	Target	Status	Commentary
TRADE ENGAGEMENT	Engage the global supply chain to drive demand and promote wool's value	Execute 30 trade engagement initiatives, including participation in global trade shows and the facilitation of targeted industry workshops	●	Twenty-two trade engagement initiatives were delivered in the first half of FY26, including 11 international trade shows and 11 industry workshops, generating 390 supply chain meetings and maintaining progress toward the annual target of 30 initiatives.
	Support commercialisation of new wool innovations across key segments	Maintain number of product and process development and technical transfer projects across key market categories	●	Twenty-eight processing innovation and product development projects and four technical transfer projects were active, focused on sustainability, performance and protection outcomes across priority market categories led by Sports and Outdoor.
TRADE ENGAGEMENT	Build future-ready through digital learning platforms	Maintain Woolmark Learning Centre course completions	●	The Woolmark Learning Centre recorded 789 course completions. Completions were lower than the same period last year, with strongest engagement in Australia, Italy, the USA, China and the UK.
	Generate engaging and educational Woolmark+ content creation; presence at key global events	Drive awareness and engagement of Woolmark+ initiatives	●	Approximately 30 Woolmark+ presentations were delivered to global brands and supply chain partners across luxury, premium and mass-market segments, alongside participation at ReThink Hong Kong, Natural Fibre Connect (UK), the Textile Exchange Conference and World Expo Osaka. Engagement was supported by updated sustainability resources, launch of a hybrid Fellowship model and targeted workshops in Japan.
	Expand brand trust and market reach via Woolmark certification uptake	3% increase in Woolmark licensees Minimum 30% of The Wool Lab suppliers are Woolmark licensees	●	Woolmark licence uptake through The Wool Lab included 42 of 110 suppliers holding licences (38%), representing a 7% increase from FY24/25. Licensed suppliers accounted for 166 of 351 swatch submissions (47%), with strongest engagement in China, Italy and Japan.
EMERGING MARKETS	Engage new supply chain partners in target emerging markets	Engage 30+ new partners across 3 emerging regions; track active collaborations	●	Engagement with new supply chain partners across target emerging markets resulted in 26 new partners, comprising Thailand (3), Sri Lanka (2), Portugal (14), Vietnam (2) and Bangladesh (5).
	Expand trusted wool branding globally; strengthen AWI's downstream influence and product assurance	+10 new licensees in emerging markets	●	15 active licensees were recorded across priority emerging markets, tracking ahead of the target of 10 new licensees. Program renewal remained high at 89%.
	Establish and support new supply chain partners who are interested in or want to increase their knowledge of wool. Visit and exhibit at trade shows to build trade leads and conduct market research	Visit 5 trade shows and exhibit in 2	●	Exhibition activities included Denim Expo Bangladesh in October 2025, generating engagement with 50+ visitors, 12 key discussions and 3 ongoing developments.
	To continue assessing the growth potential of wool in select markets through relationship building to improve local market intelligence for wool consumption	Establish meaningful relationships in a minimum of three additional markets beyond the current emerging market focus of Bangladesh, Vietnam, and Portugal	●	Relationship-building activities progressed in additional emerging markets, with feasibility work ongoing for Nepal and new engagement in Thailand linked to the Indorama expansion. Planned and delivered activities include a Nepal supply chain workshop scheduled for February 2026, along with 3 new supply chain partners established in Thailand and a technical workshop completed with 8 local knitters.

CORPORATE SERVICES

Program	Investment focus	Target	Status	Commentary
DIGITAL	Provide responsive and effective support to the business for all IT and digital-related requests, including hardware, software, digital communications (e.g. e-newsletters), website updates, and CRM improvements	Maintain or improve user ease-of-use rating	●	Survey to be conducted and results will be reported in the next cycle.
		Achieve all SLAs 90% of time	●	97.85% of all tickets were resolved within 24 hours.
		Conduct internal cybersecurity audits annually	●	Internal cybersecurity audit process has started and is on track.
MARKET INTELLIGENCE	Demonstrate the demand and utility of MI insights. Justifies continued investment in timely, accessible, high-quality reporting that shapes supply chain decisions	Increase unique visits to the Market Intelligence section of wool.com	●	Market Intelligence page views averaged 14,128 per month in July – December 2025, a 47% increase compared with 2024/25.
	Validate the reach and practical uptake of MI. Supports resourcing for CRM improvements, targeted content delivery, and cross-team integration of intelligence	Maintain active subscriber numbers; open/click-through rates	●	Market Intelligence engagement remained strong in 2025/26, with an email open rate of 39.9% and click-through rate of 4.9%. Subscriber numbers were maintained and slightly higher than 2024/25, with Daily Reports up 1.7% and Weekly subscribers up 1.7% year-on-year.
	Support investment in skilled analysts, timely data sourcing, and tools to speed up stakeholder-responsive analysis	Report audits (data source count); response logs; stakeholder satisfaction surveys	●	Information to be captured at the next Corporate Services survey.
SUPPORT & ADMIN – LEGAL	Support staff with commercially sound legal solutions. In addition to providing legal advice, the team is responsible for managing the 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	Continue to review and update AWI/TWC contract templates to incorporate changes to relevant national laws	●	AWI is continuing to review and update AWI/TWC contract templates to ensure alignment with relevant changes to national laws. The review is almost complete, with feedback outstanding only for Italy, and once finalised the revised templates will be uploaded to the intranet and rolled out across the company over the coming months.
SUPPORT & ADMIN – FINANCE	Monitor and manage corporate financial compliance and reporting requirements globally, acknowledging the complexity and changing governance requirements across the company's global footprint	Global rollout of new invoice approval process in all jurisdictions	●	AWI has successfully completed the global rollout of the new invoice approval and processing system, with all countries and subsidiaries now using the updated process. Feedback has been positive, reflecting improved consistency and efficiency in invoice processing across jurisdictions.
	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	Unqualified audit report delivered	●	AWI achieved a clean, unqualified audit report with the annual accounts for 2024/25 now signed. Foreign currency exposures continue to be monitored fortnightly, with hedging in place to manage known future expenditure and minimise currency risk in line with approved policies.
SUPPORT & ADMIN – M&E	Provide a framework to measure, analyse, evaluate, and report on the performance of AWI's Investments on behalf of its stakeholders. Implement and update 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	At least 3 impact assessments published	●	2 impact assessments currently underway. Mizuno Tod's MLP

