

Welcome to the Summer 2023 SustainaWOOL News!

A message from the CEO

Thank you for your support and participation in SustainaWOOL - Australia's integrity scheme for all Australian wool growers.

Sustainability, Integrity and Traceability. These three topics are widely acknowledged as key ingredients of a successful, prosperous and sustainable agricultural industry. Australian Governments (Federal & State) recognise them as a unique opportunity for Australia to showcase its produce and maintain access to markets as a preferred supplier of quality products. And so it is for wool.



Transparency through traceability is critical for growers and our supply chain partners. They like you want to build on the solid foundations of their relationship with you through SustainaWOOL.

The Australian wool industry is in the unique position to take advantage of the attributes that we all know well and few can compete with in terms of quality and volume. I am delighted with the positive changes AWEX is making in SustainaWOOL. An extensive external and internal review of SustainaWOOL has set the foundation for its relaunch in 2024. SustainaWOOL is raising the bar in terms of integrity and traceability and you, our grower members, will be at the forefront of leading the change in this dynamic industry.

Together we are entering a new and exciting phase for SustainaWOOL and we want you to join us on this journey and benefit from the value and insights that the SustainaWOOL Integrity Scheme provides.

You will hear a lot more detail of the exciting changes the SustainaWOOL team has in store in early 2024.

On behalf of all the AWEX team – we wish you all a very safe and happy Christmas.

A handwritten signature in black ink, appearing to read 'Mark Grave'.

Mark Grave
CEO

New SustainaWOOL Program Manager Q&A



It's an exciting time for SustainaWOOL as we welcome our new Program Manager Kathleen Allan.

Kathleen joined AWEX in August 2023, and has been on a wild ride between Yass, Sydney and Melbourne ever since.

Kathleen's industry experience in the Australian Agriculture sector is extensive having spanned over 25 years.

To get to know your new Program Manager we conducted a short interview. Here's what we found, and why we're excited to have Kathleen managing SustainaWOOL.

Tell us about yourself

I was born in Cootamundra NSW and have spent all of my life in Southern NSW except for a 4 year stint at University in Armidale. I currently live on a property between Yass and Boorowa where my daughters, Bella (16) and Molly (13) and I run superfine merino wethers and a small mob of crossbred ewes for prime lamb. I juggle professional, farming and Mum life like so many other rural women. We enjoy horse riding as much as we can and are desperately trying to refine our camping skills. Life is busy but I wouldn't have it any other way.

What would most people not know about you?

Coming to the end of my schooling I was either going to study agriculture or music at University. I was a classically trained flute player for many years! Ag won the day but music is a great skill to have and something you can always go back to.

What attracted you to the SustainaWOOL Integrity Scheme Program Manager role?

It's the perfect role for me. It combines my passion for sheep and wool, practical farming experience, extensive network and professional expertise in product integrity, program management and communication and extension. I am super excited about the future and very grateful for the opportunity.

What do you see as the most pressing focus areas in Sustainability?

Great question. I think our biggest priority is to start. The sustainability space is changing daily if not more and we risk getting caught if we try to plan for every scenario. Whilst there are risks going first we need to be brave. The most pressing focus areas for me are the need to bring our growers on the sustainability journey which is no longer an option and enabling them so they can provide the supporting data and evidence to demonstrate that our greatest land managers are a sustainability solution in the global value chain.

What are you most looking forward to with the SustainaWOOL Integrity Scheme relaunch?

The SustainaWOOL foundations are very strong but we have been given an opportunity to strengthen the program through investment in automation that will add the rigour that our customers demand. I think that a refreshed SustainaWOOL program can be world-leading – just like the Australian wool industry – and provide our customers with a source of sustainably produced high quality wool and be something that Australian wool growers can be very proud of.

2022/23 SustainaWOOL Highlights

Some of the 2022/23 SustainaWOOL highlights include:

- Weekly catalogue compliance monitoring and auditing. This ensures sale lots are correctly displayed for buyers interested in sustainability.
- SustainaWOOL auction lots accounted for 9.3% of all merino lots offered with lower passed-in rates as well as higher prices paid compared to equivalent fleece wool.
- Completion of more than 100 on-farm inspections to underpin the integrity of the program
- Appointing a China Regional Representative in July 2022 resulting in increased engagement with Supply Chain Partners including garment makers, brands and retailers.

Sustainability remains a priority for the wool industry and its customers, and is an area that continues to develop with definitions, accepted metrics and legislations associated with sustainability. Digital traceability is increasingly being required for the integrity of wool as with all raw materials in the supply chain.

In 2023, the AWEX Board commissioned a KPMG review of SWIS, to determine what a Minimum Viable Product (MVP) would need to be to ensure it is ready to meet the future needs of the wool supply chain.

The review sought feedback from industry and highlighted areas of strength and opportunities to invest in and improve on, including brand building, industry collaborations, automation of data collection and digital traceability.

These recommendations, alongside feedback garnered through a consultative process with industry recently completed by the SustainaWOOL team, will form the basis of a relaunch of the program in 2024.

**The AWEX 2022/23
Annual Report
is now available.**



**19.12M SUSTAINAWOOL
GREASY KGS SOLD**



**9.3% AUSTRALIAN
MERINO LOTS OFFERED**

Year-end market share figures for the SWIS program

SW Auction offering (adjusted for SWIS catalogue audit process)	2021/22 Season	2022/23 Season
Bales	106,136	105,673
Lots	21,009	20,686
Share of all lots offered (Mer + XBD)*	8.7%	8.7%
Share of Merino lots offered*	9.4%	9.3%

*All breeds & wool types offered at auction, excludes NZ, P Certs only. Figures represent GOLD, GREEN and BLUE members.

Market share has remained similar although slightly lower than the previous season.

Catalogue compliance figures for the SWIS program

Compliance metric	Unit	Season 21/22		Season 22/23	
		No	%	No	%
Avg. Detected / wk	Unit	No	%	No	%
Exception Lots	Lots	95.1	18.1%	75.9	14.7%
Alteration Lots	Lots	71.0	13.5%	54.4	10.6%

AWEX completes weekly integrity checks on all catalogues for SustainaWOOL. The 'correctness' of SW-code declaration in catalogues continues to improve, due to the early audit procedures implemented by AWEX. This is critical in maintaining an informed market.

SustainaWOOL Lots continue to receive a premium compared to non-SW lots of similar mulesing status. A summary of price premiums across a range of microns for the current selling season are below.

2023 Price premiums for SustainaWOOL lots

Qualifier	16.0	17.0	18.0	19.0	20.0	21.0	22.0
SW Green (NM/CM)	12.1%	7.5%	4.6%	3.2%	0.4%	6.0%	
Others (NM/CM)	2.0%	1.7%	1.3%	0.7%	0.7%	-0.1%	1.5%
SW Blue (PR)	5.3%	2.9%	2.2%	1.2%	1.2%	0.8%	
Others PR	0.7%	-0.2%	0.4%	0.4%	0.4%	0.1%	0.7%

SustainaWOOL Integrity Scheme relaunch

Australia’s Sustainability Integrity Scheme for all wool growers

AWEX remains committed to providing an Australian industry led sustainability scheme for the betterment of its members and industry.

Sustainability remains a priority for the wool industry and its customers, and is an area that continues to develop, with definitions, accepted metrics and legislations associated with sustainability continuing to evolve and is increasingly being linked to digital traceability.

Through AWEX’s various services, both the on-farm data capture and traceability enabled through WoolClip and eBale, NWD Integrity Program declarations and audits, along with AWEX’s commitment to quality clip preparation through use of a registered classer (‘P’ certificate) and sale lot audits, AWEX is uniquely placed to offer a credible, Australian industry owned sustainability integrity scheme for wool growers that assures wool customers of the quality clip preparation and integrity of data they are increasingly demanding.

So, what will a new SustainaWOOL Integrity Scheme look like? What will it mean for current members? When is it happening?

A refreshed SustainaWOOL Integrity Scheme will have significant and beneficial changes for Accredited Growers/Producers, for Partners, and for the global

supply chain. There will be increased collaboration with key industry stakeholders, and strategic partnerships along the wool value chain to provide a source of credible and sustainably produced wool demanded by customers that meets their obligations and commitments. The relaunched SustainaWOOL Integrity Scheme will be Australia’s Sustainable Wool Integrity Scheme, truly integrated with the Australian wool industry, and meeting the vast needs of the Australian landscape, backed by science and evidence. With digital traceability from AWEX’s WoolClip and eBale, and a continued focus on quality clip preparation, the global supply chain can have confidence in the integrity and quality of choosing Australia’s sustainably grown wool.

Importantly though, the SustainaWOOL Integrity Scheme will continue to be an on-farm assurance program, backed by data and evidence, with Australian wool clip preparation and quality standards at the core. SustainaWOOL will be a vehicle for Australian wool growers to demonstrate their care for the environment, sheep, people and industry to customers and consumers globally.

SustainaWOOL has been built on the foundations of integrity and trust. We will keep you informed through the transition process as we aim to launch a new SustainaWOOL Integrity Scheme in mid 2024.

It’s a great time to be part of SustainaWOOL and part of our progressive Australian wool industry!

SustainaWOOL 2.0 Pillars

SUSTAINABILITY PILLARS

QUALITY PILLAR



CARING FOR ENVIRONMENT



CARING FOR OUR SHEEP



CARING FOR OUR PEOPLE, OUR CUSTOMERS AND OUR COMMUNITY



CARING FOR OUR INDUSTRY



CLIP PREPARATION AND INTEGRITY

Share your SustainaWOOL story



Don't forget to share your SustainaWOOL story with our community on social media. We love seeing all the great things happening on farm. A picture tells a thousand words.

What story can I tell?

Perhaps one of the sustainability pillars might inspire you.

- Environmental management
- Sheep health & wellbeing
- Wool quality & clip preparation
- Social responsibility
- Traceability

We look forward to seeing your SustainaWOOL story.



Get in touch!

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