

## Terms of Reference

### SustainaWOOL Integrity Scheme Expert Panel

#### PURPOSE

This document outlines the terms of reference for the SustainaWOOL Integrity Scheme Expert Panel.

#### BACKGROUND

The Australian Wool Exchange Limited (AWEX) is a not-for-profit member services organisation. Members include Australian and international wool brokers, processors, exporters, private treaty merchants, wool producers (growers) and industry associations.

The Purpose of AWEX is to 'deliver services that strengthen, inform and increase confidence in the quality and integrity of Australian wool'. AWEX offers comprehensive integrity programs, standards, information, and administrative services to all wool industry participants.

AWEX engages with members and industry through various committees and working groups to establish and review rules, standards and quality assurance programs which encourages competition in a self-regulated market.

The SustainaWOOL Integrity Scheme exists to link Australian and international wool brokers, buyers, processors, brands and retailers who share a common vision - of a wool industry that can celebrate and specify the highest standards of sustainability, traceability, and clip preparation. Owned by the Australian wool industry through the Australian Wool Exchange Limited (AWEX), SustainaWOOL provides traceability from farm to first-stage processing, and means on-farm practices have been adopted and can be verified for: responsible environmental stewardship of the land and natural resources, wellbeing of the sheep, care for people, customers, community and industry and conformity with industry quality wool preparation standards.

Following a comprehensive review in 2023, AWEX has an ambitious plan to launch a refreshed SustainaWOOL program in mid-2024. The new program:

- Will have strengthened Standards that requires evidence to demonstrate achievement of those standards and criteria
- Demonstrate how individual farms in the SustainaWOOL Integrity Scheme are delivering against the Australian Sheep Sustainability Framework
- Uses the latest science-based and credible measures and metrics.
- Focuses on evidencing the delivery of desired sustainability outcomes wherever possible (as opposed to evidencing practices)
- Are practical, accessible and cost-effective for a wool grower to evidence.
- Allows for regional, seasonal and farm-type variations.
- Takes a continuous improvement approach, reviewing Standards, measures and metrics at agreed intervals against the latest Sustainability-science knowledge, and legislative and reporting needs of the industry and its customers.

AWEX is bringing together a Panel of experts to oversee this exciting plan.

## ROLE

The SustainaWOOL Expert Panel (the Panel) exists to assist AWEX by providing a forum for credible, independent review and oversight of SustainaWOOL Standards, Performance Criteria and Data/Evidence requirements that underpin the scheme.

## SCOPE OF OPERATION

The Panel will advise AWEX on the following:

- The SustainaWOOL Integrity Scheme Grower Standards covering the caring for environment, sheep, people and industry pillars as well as quality and integrity
- Performance criteria relevant for each Standard
- Data and/or evidence suitable to demonstrate achievement of a performance criteria and conformance to the Standard
- Other program related matters as required

The Panel has no executive powers but shall make recommendations to the SustainaWOOL program team, AWEX Management and Board.

## MEMBERSHIP

- The Panel shall consist of up to 8 (expert) voting members plus an independent Chair and non-voting members being AWEX staff - SustainaWOOL Program Manager, General Manager Brand and Integrity plus other AWEX representatives as required
- The Independent Chair of the Panel will be selected by AWEX
- Members of the Panel will be appointed by AWEX on advice from a Selection Committee convened to review Expressions of Interest received from interested parties
- Members will be appointed to the Panel for three years.
- Members may be reappointed for a second term, however no more than 50 per cent of members who have served a full term may be reappointed at the commencement of a new term.

Members of the Panel will be selected based on their experience in one or more of the following areas:

- Sustainability as it relates to the environment, livestock, people, community and/or the wool industry supply chain
- Industry sustainability, integrity or on-farm assurance programs
- Wool, sheep or livestock production
- On-farm data and evidence capture to support sustainability outcomes

## EXPECTATIONS

Members of the Panel are expected to:

- Enter into a Consultancy Agreement with AWEX for the provision of representative expert advisory services as part of the Panel and agree to comply with all requirements outlined in the Agreement including adherence to AWEX policies and procedures and insurance requirements.
- Commit themselves to the Terms of Reference of the panel
- Attend meetings of the Panel personally (no proxy allowed) and attend at least 80 per cent of all meetings.
- Abide by contemporary principles in the conduct of Committees including the management of real or perceived conflicts and confidentiality detailed below
- Bring knowledge, skills and experience of sustainability to the Panel and contribute to the development of the Panel's collective wisdom.
- Treat other Panel members with respect and have due regard to the opinions, rights and responsibilities of others

- Members representing an organisation are expected to be able to represent the views and ideas of that organisation while participating in the Panel as an individual with their own views, ideas and experience to be contributed for the benefit of the Panel.

## **CONFLICT OF INTEREST**

If a Panel member determines that they have a conflict of interest in any matter which is to be considered at a meeting of the Panel then that person must, in accordance with AWEX policies:

- If present at the meeting, disclose the nature of the interest at the commencement of each meeting or immediately before the consideration or discussion of the matter, or
- If not present at the meeting, disclose the nature of the interest to the Chair at any time before the meeting is held.

While any vote or discussion is taken on the subject matter the member must:

- Leave the room or online meeting and notify the Chair that they are doing so, and
- Remain outside the room and any gallery or other area in view or hearing of the room or online meeting until invited to rejoin the meeting

The Chair must record the declaration and the nature of the conflict of interest in the minutes of the meeting.

## **CONFIDENTIALITY**

To ensure that Members can participate fully in the Panel, AWEX may provide certain information which AWEX considers is confidential. Members will be required to retain such information as confidential and confirm their intention to do so by formal agreement.

## **MEETINGS**

The Chair will preside over all meetings of the Panel and if unable to attend a meeting shall appoint an alternate Panel member to take the Chair.

AWEX will provide Secretariat services to the Panel.

AWEX will schedule at least two meetings of the Panel each year, and hold additional meetings as required. Meetings will normally be conducted online.

In order to facilitate the relaunch of the SustainaWOOL Integrity Scheme in July 2024 and the need for new Grower Standards it is expected that the group will convene for an additional two full-day workshops in February and March 2024.

Any Panel member may request the Chair to convene a meeting of the Panel. The discretion to convene a meeting rests with the Chair.

Not less than seven business days written notice of a meeting of the Panel will be given to members of the Panel, unless all members agree to the holding of a meeting at shorter notice on the basis that a quorum is available to meet.

A meeting Agenda and any relevant pre-read materials will be provided in advance of the meeting

A quorum of the meeting consists of the Chair, Secretariat, SustainaWOOL Program Manager or other AWEX representative and at least five members of the Panel.

The Panel is an advisory group with oversight of development and ongoing review of the SWIS Grower Standards, the performance criteria/metrics and the evidence/data requirements to demonstrate conformance with those Standards. The advice provided to AWEX shall be formulated on a consensus

basis. Where consensus cannot be reached the matter shall be referred to AWEX. AWEX shall inform the Panel of its decision on any matters so referred.

Where consensus has been reached on a matter for which there is known, ongoing scientific-based debate, the Panel shall include a synopsis of that debate and the rationale that formed the basis of the consensus of the Panel regarding that matter to AWEX.

## **REPORTING**

The Panel Secretariat shall circulate the Minutes/Outcomes of each meeting to all members of the Panel and the AWEX SustainaWOOL Program team.

The Chair and SustainaWOOL Program Manager will report recommendations/outcomes from the Panel to the AWEX Board/Management as required.

## **EXPENSES**

Members of the Panel may be entitled to claim a Daily Fee for meetings and other pre-approved Panel business (meeting preparation etc). The fee is to be clarified on appointment in advance of the Member participating in any Panel business.

Members of the Panel will be entitled to reimbursement by AWEX for any reasonable and approved travel expenses incurred for the purpose of attending meetings of the panel or for the purpose of attending to the business of the Panel outside of regular panel activity, if approved in advance by AWEX.

Travel to be approved in advance, organised by AWEX and in accordance with AWEX policy.

Travel arrangements and claim for reimbursement to be managed in accordance with AWEX policies and procedures.

## **INDEMNITY**

The Panel Members will be indemnified by AWEX in respect of all liability, loss, damage, expense and claims whatsoever arising from any agreed Panel actions or decisions taken in good faith by AWEX.

February 2024