

28 November 2024

AWEX 2024 AGM

The Australian Wool Exchange Limited (AWEX) held its 31st Annual General Meeting on Friday 22nd November 2024. AWEX Chair, Andreas Clark, chaired the virtual event.

1. Minutes of the 2023 AGM

The minutes were approved.

2. A motion was moved to approve the Statement of Income and Retained Surpluses for the year ended 30 June 2024, and the Statement of Financial Position as at that date, the Reports of the Directors and of the Auditor as well as the Statement by the Directors be adopted.

There were no questions from Members and the motion was carried.

3. Appointment of Directors:

This year there were four Directors appointed to the AWEX Board, in accordance with the AWEX constitution.

- One Director was appointed, elected by Exporter Members;
- One Director was appointed, elected by Broker Members, who, together with their related bodies corporate, sold an average of less than or equal to 35,000,000 kilograms of wool per annum over the three years before the election;
- One Director was appointed, elected by Processor Members. This Directorship was a result from changes made to the AWEX Constitution approved at the 2023 AGM, and
- One Director was appointed, elected by Grower members, as a result of the resignation of the former Director elected by Grower Members.

Mr Steven Harrison retired from the AWEX Board following two years service. Steven was a valuable and contributing member of the AWEX Board and a member of the Remuneration Committee. Steven demonstrated his value as a Board member with his extensive knowledge and insights of industry nationally and internationally and farming enterprises and was thanked by the Chair for his support and professionalism throughout.

This year, nominations for all positions were called for prior to the Notice of Meeting being distributed. There was only one final candidate for each of the available positions, so a vote was not required.

An election for Director elected by Processor Members was held, with the final candidate being appointed at the AGM. AWEX Chair, Andreas Clark, would like to thank both Andrew Luxton and Tim Marwedel for putting themselves forward for this office.

The following Directors were appointed to the AWEX Board for the nominated positions:

Mr Peter King, Director elected by Exporter Members,

Mr Marty Moses, Director elected by Broker Members (noted above),

Mr Andrew Luxton, Director elected by Processor Members,

Mr Simon Riddle, Director elected by Grower Members.

On behalf of AWEX and all AWEX Members, AWEX Chair, Andreas Clark, welcomes both the newly appointed and returning Directors to the AWEX Board.

4. General Business

AWEX Chair, Andreas Clark, announced the appointment of Pitcher Partners as AWEX Auditors for 2024/25.

There were no general questions raised by Members.

AWEX Chair – Andreas Clark

"I have now completed 2 years as Chair of AWEX and I am pleased to deliver this update on AWEX's performance during 2023-24 and report on how the organisation delivered against its agreed strategy to support the Australian wool industry.

AWEX completed the financial year ended 30 June 2023 with a deficit of \$1.1mil (2023 deficit of \$0.71mil) following three consecutive years previously of operating surpluses totalling \$2.2mil. The Board again approved a strategic draw down on reserves during the year to support a range of key initiatives to deliver on our Strategic Plan.

Over the last two years the Board has made some bold and strategic decisions in the interest of moving our industry forward.

The commitment to and development of eBale and WoolClip represents a significant investment by AWEX and has elevated the standing of the Australian wool industry globally and nationally progressed the Australian wool industry towards being EAD ready. Australia can also boast of having full digital traceability available from farm and these two critical pieces of technology and infrastructure are not only a world first but are fundamental wool industry assets by which all other countries are being measured.

AWEX is able to do this due to the steady and planned accumulation of reserves over previous years. As at 30 June 2024, cash and other financial assets remained a healthy \$6.9m and is currently outside of the target range as defined in the Board approved Reserves Policy. The Board has reviewed the 3-year forecast that provides a path back to the target range.

The Board and management of AWEX reviewed and updated the strategy for 2024-28, with greater focus on developing our services to members and industry through continuing the journey of collaborating within industry and across industries, valuing the strength of leadership through independence, recognising our strengths being integrity & integration of systems/data, and increasing our extended communication to enhance understanding of AWEX's vision for its future platforms. Member support is essential for AWEX to deliver on its strategic plan.

The following are a few of the key highlights for 2023-24.

Last Season, in excess of 260,000 bales had been captured using WoolClip, an increase of 64% building on the 81% increase in 2022/23.

WoolClip development and extension remain a priority and whilst it is valued and valuable to the industry it does come at a significant cost. AWEX will continue to work with industry to implement a sustainable funding model for WoolClip.

members' update

we know wool

AWEX continues to actively collaborate on such initiatives as the AWTH to ensure the industry is global leader on traceability. Traceability offers many opportunities, and Australia needs to remain the country of choice for wool and embracing digital technologies will be an important to keep pushing the industry forward.

This year AWEX launched the Australian Wool Sustainability Scheme. The official launch was made at IWTO in Adelaide in April. AWSS's points of difference are that it is a scheme made for the Australian environment, it is a digital, efficient and low-cost solution, and AWSS standards, quality and integrity remain central to AWEX and so it is with AWSS. These elements are essential for the long-term success of the Australian wool industry given the increasing demand for provenance and integrity of source.

The 2022-24 Wool Classer registration concludes this year with 15,057 classers registered. Registration for the 2025-27 triennium is currently underway.

AWEX is taking significant steps to reduce cost, increase privacy, efficiency and confidentiality associated with wool classer registration through this triennium. AWEX will report on the progress of classer registration periodically. Wool classing remains an important platform that is part of AWEX's and the Australian wool industry's DNA.

These services, investments and achievements have been made in the face of what can only be described as a difficult trading period. We are all too aware of the current market conditions, the impact of some political decisions and the anticipated further decline in wool production. AWEX is impacted by these influences as well and the Board and management team are keeping a steady watch on these issues as the season unfolds but recognise that success is in the industry continuing to move forward.

AWEX is pleased to have once again worked with our auditor, Pitcher Partners and we thank the audit partner, Chris Chandran and his team for the independent, thorough, and dedicated annual audit process. I can confirm that Pitcher Partners are appointed as external auditor for FY25.

I would also like to thank Lyn Nicholson and her team at Holding Redlich for the professional legal counsel provided to AWEX when needed.

Finally, I would like to acknowledge the many people who work hard to make AWEX a success. This includes you, our members, the management and staff of AWEX as well as my fellow directors whose commitment to the industry ensures that Board decisions are well informed.

AWEX is indeed fortunate to have a stable and highly experienced management team who work tirelessly for both AWEX and the wool industry.

Andreas Clark
AWEX Chair
2024

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