

## Skretting Australia 2019

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The following section contains data specific to Skretting Australia's operations and markets.

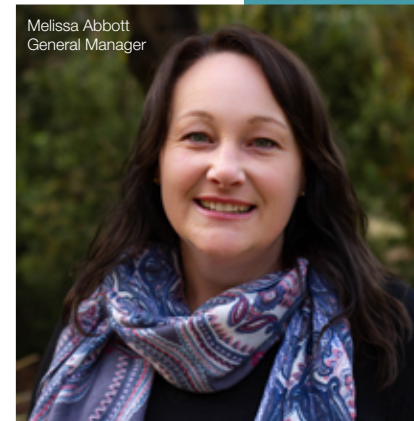
## Management Disclosure (Melissa Abbott, General Manager Skretting Australia)

It's been another eventful 12 months at Skretting Australia and I am pleased to say that we continue to make confident strides in meeting our future ambition. The past year was not without its challenges as many Australian communities continue to grapple with the incredible hardships left in the wake of the bushfires over the past summer. At the start of 2020 the world finds itself inundated by the coronavirus pandemic which have had far reaching economic and social consequences for society. Food production is a critical service, and as an essential link in the feed-to food chain, business continuity to the aquaculture sector throughout this period has been and remains our top priority. We are incredibly proud of what our team has, and continues to achieve under these circumstances.

Innovation is a core value at Skretting and we always strive for best practice to enable more efficient outcomes for our operations and clients. We are currently evaluating how we can take the next step in feeding efficiency with the integration of automated feeding systems on Australian prawn farms, something that's being used to great success in countries such as Ecuador. We are excited about the commercial implementation of this technology as Skretting strives to be a digitally enabled, farm focused solution provider.

In 2019 we commissioned our research facility for King salmon in the northern end of New Zealand's South Island. The research facility is not unlike the Experimental Aquaculture Facility (EAF) we use for research in Tasmanian Atlantic salmon in that it will give us ability to experiment with harvest size fish under controlled conditions. The Okiwi Bay Aquaculture Facility (OBAF) has provided us with much needed research capacity in New Zealand. We held a community open day at the start of the year that saw approximately 300 people attend over the course of the event. A great example of our company and industry being transparent and open to the communities in which we operate in.

Skretting Australia participated in the first National Barramundi Day on October 18th 2019 as a show of support for our barramundi clients. Skretting Australia has a long and proud history of supporting the Australian farmed barramundi sector. We put on a BBQ for our team using delicious and sustainably grown, Australian barramundi. The intention behind the National Barramundi Day initiative was to promote Australian grown barramundi. Approximately 60% of the barramundi eaten in Australia is imported, so the campaign was aimed at reminding consumers to buy Australian and support our local farmers.



The Blue Economy CRC brings together expertise in the seafood, marine renewable energy and offshore marine engineering sectors- to deliver innovative solutions that will transform the way we use our oceans. Skretting Australia is the only feed company involved in the Blue Economy CRC, participating in a scoping project that seeks to understand the key offshore salmon production biology challenges and to identify available and emerging technology. The benefits will be immediately relevant to offshore salmon farming in both Australia and New Zealand.

Our business ambition could not be realised without the dedication of our team at Skretting Australia. I am extremely proud of the highly capable team we have assembled at Skretting Australia and of our commitment to grow and develop our team to further support our clients. The collective experience, knowledge and talents within the Skretting group continues to help progress aquaculture industries in Australia, New Zealand and around the world-using global resources to deliver local solutions. We remain steadfast in our commitment to continue to provide innovative and sustainable solutions to our clients for many years to come.

# Organisational Profile 2019

## NAME

Gibson's Limited trading as Skretting Australia

## OPERATIONS

- Manufacturer of aquaculture feeds
- Digitally enabled farm focused solution providers

## HEAD OFFICE AND FACTORY LOCATION

Cambridge, Tasmania, Australia

## OWNER

Part of Nutreco, privately-owned by SHV Holdings

## SCALE OF OPERATION

>95,000t of feed produced

## WORKFORCE

- 85 (77 permanent, 7 fixed term, 1 temporary)
- 5 part time
- 14 female, 71 male
- Leadership team: 2 female, 5 male

## MEMBERSHIPS

- Australian Human Resources Institute
- Australian Prawn Farmers Association
- Australian Renderers Association
- Chartered Accountants Australia and New Zealand
- Experimental Aquaculture Facility Advisory Committee
- National Aquaculture Council
- New Zealand Salmon Farmers Association
- Seafood Industry Australia and Australian
- Barramundi Farmers Association.
- Stockfeed Manufacturer's Association

## REPORT PERIOD

1 January to 31 December 2019

## LAST REPORT

Skretting Australia Annual Sustainability Report 2018 (published August 2019). Available at <http://www.skretting.com/en-AU/sustainability/reports/>



**GLOBALG.A.P.**

## MARKETS AND CUSTOMERS

Australia and New Zealand.

### Feed sold per species type:



67% Atlantic salmon



20% King salmon



8% Barramundi



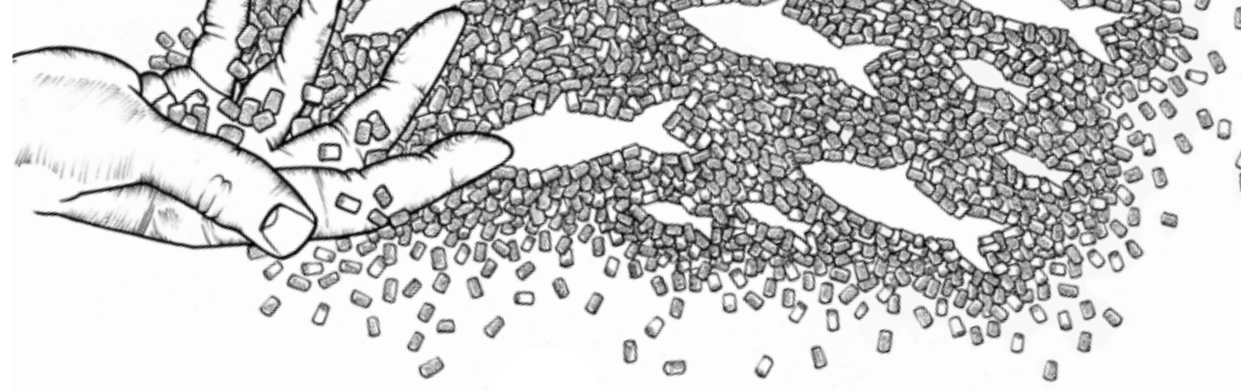
2% Trout



<1% Abalone



<1% Prawns



## 2019 Highlights

### Nutritional solutions

Conduct research trials at our Experimental Aquaculture Facility (Tarooma) and Okiwi Bay Aquaculture Facility to optimise nutrition in high temperature and improve feed efficiency

**Status:** ● Complete

Develop our product offering for the Australian Prawn Industry including the implementation of automated feeding systems

**Status:** ● Complete

### Ingredients

Continue to work towards our target of 100% IFFO RS certified marine ingredients by 2020

**Status:** ○ In progress

**Update of progress towards targets:**

In 2019 FM=100% and FO=80.1% IFFO RS (BAP Feed Mill standard requires >50%).

Re-establish pre-existing raw materials such as corn gluten and continue to progress new novel raw materials

**Status:** ● Complete

### Operations

Continue our focus on our safety culture with a target of 0 LTIs

**Status:** ○ In progress

**Update of progress towards targets:**

4 LTIS were recorded in 2019.

Investigate and evaluate potential plastic packaging recyclers to develop industry-wide solutions to plastic wastes

**Status:** ○ In progress

**Update of progress towards targets:**

Packaging and design initiatives being implemented in 2021 to improve recyclability of commercial feedbags.

### Commitment

Conduct innovation and development forums with our key stakeholders to identify where Skretting can further support a dynamic aquaculture industry

**Status:** ○ In progress

**Update of progress towards targets:**

Scheduled for 2020.

Continue our initiative of planting trees in our local communities to fully offset our carbon air travel emissions

**Status:** ● Complete



## Sustainability

Skretting Australia and the wider Skretting Group are leaders in sustainability. Our mission that guides us is "*Feeding the Future*". Our ambition is to contribute to meeting the rising food needs of the global population in a sustainable manner. We do this by constantly seeking innovative ways to raise the efficiency and nutritional value of our products, the productivity of our activities and those of our customers, and to reduce the environmental impact of our value chains. Sustainability is in the nature of our business.

Skretting's commitment to sustainability is expressed through our Nuterra programme (<https://www.skretting.com/en/sustainability/>). Nuterra is a global sustainability program implemented across Nutreco, highlighting our dedication and commitment to sustainability. This identifies the key sustainability issues facing the aquaculture industry and the actions Skretting will take to address them.

In 2015, the United Nations introduced a set of 17 Sustainable Development Goals (SDGs) to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda. Each goal has specific targets to be achieved by 2030. Skretting's Nuterra program is aligned with the SDGs. For example, our Mission of 'Feeding the Future' is firmly aligned with fulfilling goal number 2; End hunger, achieve food security and improved nutrition and promote sustainable agriculture. Each of the four pillars in the Nuterra program: Nutritional solutions, Ingredients, Operations and Commitment – address several of the SDGs within specific areas. Therefore, to a large extent, our sustainability report describes how we work and what we have achieved to support the United Nations in its effort to establish a new sustainable development agenda.



Skretting's/ Nutreco's sustainability program "Nuterra", is aligned with the United Nations Sustainability Development Goals (SDGs).



nuterra



## Nutritional Solutions

### Life Cycle Assessment

The average carbon footprint of our feeds:

**Feed production**

= 0.05 kg CO<sub>2</sub>e/kg

**Feed ingredients**

= 5.03 kg CO<sub>2</sub>e/kg

**Total carbon footprint feed**

= 5.08 kg CO<sub>2</sub>e/kg

**2018**

= 5.79kg CO<sub>2</sub>e/kg

### Research Collaborations (2019)

**Blue Economy CRC**

Innovation in sustainable seafood and renewable energy production for a marine nation.



**Research on local issues for large Atlantic salmon**

Nutrition at high water temperature as well as feed performance optimisation across the product range.

Optimisation of an amoebic gill disease challenge model.



**Feed performance documentation for King salmon**



**Optimisation of feeds for barramundi**



Department of Primary Industries | Port Stephens Fisheries Institute (PSFI)

**Feed development for the prawn grower phase**



**Research on developing feeds for prawns containing alternative raw materials**



**Feed Validation**

Addressing the cost of production in Atlantic salmon, King salmon, barramundi, rainbow trout and prawns.

**Customer feed trials (on-farm)**



## Nutritional Solutions

### Okiwi Bay Aquaculture Facility

Skretting Australia's new research validation facility is now operational in Okiwi Bay, New Zealand. The current trial is aimed at demonstrating the benefit of high energy feeds for King salmon to our customers. Okiwi Bay is working well now and we're looking forward to evaluating and developing future products in the facility. We look forward to bringing you more updates on how our research is progressing and the benefits delivered to the New Zealand King salmon farming industry.



Skretting's Okiwi Bay Aquaculture Facility (OBAF) is now operational in New Zealand. The facility will deliver much needed research and development capacity for the betterment of the New Zealand King Salmon industry.

### Experimental Aquaculture Facility Summer Trials

It has been three years since the commissioning of the Tasmanian based Experimental Aquaculture Facility (EAF). Over this period 12 trials have been conducted in the facility exploring various aspects of salmon nutrition, with a strong emphasis of research focussed on the high temperature performance of post smolt and growout fish.

We were able to replicate the commercial summer conditions in a controlled tank environment with typical invasion of *Vibrio* in the gastro-intestinal tract (GIT) of Atlantic salmon – a great model for development work.

Key outcomes included demonstrating the benefits of high energy feeds under summer conditions, and the ability to promote the growth of favourable gut bacteria through diet manipulation. We are gaining a better understanding of our raw materials and how physical quality of the feed can affect fish performance.

Importantly, we are also learning about the growth and FCR potential of different size fish at varying water temperatures. Having ideal water flows, oxygen levels



and no disturbances, the real potential of salmon and feed can be assessed which provides for a great comparison to commercial farming conditions.

The EAF is a state-of-the-art facility and has proven to be an invaluable asset for Skretting. It is at the forefront of recirculation technology and has so far provided valuable insights and developments in Atlantic salmon nutrition. More developmental work is planned with outcomes likely to help future-proof a successful Atlantic salmon industry in Tasmania.

The Experimental Aquaculture Facility (EAF). The facility has had a strong emphasis of research focused on the high temperature performance of post smolt and growout fish

### Blue Economy Cooperative Research Centre (CRC)

The Blue Economy CRC brings together expertise in the seafood, marine renewable energy and offshore marine engineering sectors- to deliver innovative solutions that will transform the way we sustainably use our oceans. Skretting Australia is the only feed company involved in the Blue Economy CRC, participating in a scoping project that seeks to understand the key offshore salmon production biology challenges and to identify available and emerging technology. The benefits will be immediately relevant to offshore salmon farming in both Australia and NZ.





## Ingredients

### Supplier Code of Conduct

Feeding the world's growing population in a sustainable way is at the core of Skretting's mission. This goal can only be achieved with the cooperation of all our supply chain partners. For that purpose, we have a Supplier Code of Conduct. It enables Skretting to engage with our suppliers on material sustainability issues relating to their operations, and to set minimum criteria that should be met. We will only source from companies that comply with the rule of law, and who conform to the criteria set out in this Supplier Code of Conduct or can demonstrate they are working towards them. Responsible procurement is a critical element of our sustainability. All Skretting's suppliers must sign our supplier code of conduct. Our suppliers are regularly audited against the code of conduct to ensure that they can demonstrate compliance against the supplier agreement.

### Marine Ingredients

Skretting only sources its raw materials from responsible suppliers that meet our social and environmental standards. We do not source species that are endangered or from illegal fishing operations. All Skretting's suppliers must sign our supplier code of conduct (CoC) which details our social and

environmental expectations. Our suppliers are regularly audited against the code of conduct to ensure that they can demonstrate compliance against the supplier agreement.

We strongly encourage our marine suppliers to achieve third party accreditations such as MSC (Marine Stewardship Council) and MarinTrust/IFFO RS (leading independent business to business certification programme for the production of marine ingredients).

As a requirement for Aquaculture Stewardship Council (ASC) certification, the ASC proponent is required to illustrate that feed products are sustainable. Compliance of species is assured via our annual Marine assessment report an independent Marine Fisheries Scientist & Consultant. This report discloses the FishSource scores of species likely to be purchased for the year.

### About Marin Trust Certification

MarinTrust works with third party accredited (ISO 17065) certification bodies which audit fishmeal and fish oil producing factories and assess the responsibility of fisheries.

The Key principles of the MarinTrust standard are **responsible sourcing** and **responsible production**, with **full traceability** and **product segregation** as key requirements.

MarinTrust holds the biggest share of the

market, with more than half the world's production now MarinTrust certified. The standard is recognised and endorsed throughout the marine ingredient value chain, and by aquaculture certification programmes including BAP (Best Aquaculture Practice), ASC (Aquaculture Stewardship Council) and Global GAP (Good Aquaculture Practice), as well as feed manufacturers, retailers and pet food manufacturers.

The MarinTrust programme is embedded in sourcing policies and supported by international NGOs including WWF (World Wildlife Fund), Sustainable Fisheries Partnership and CeDePesca.

Credibility is enhanced through ISEAL membership, which gives reassurance to the value chain that the standard has been developed using a globally recognised framework and complies with ISEAL's codes of good practice related to assurance, impacts assessment and monitoring.

### About Marine Stewardship Council (MSC)

The Marine Stewardship Council is an international non-profit on a mission to end overfishing and restore fish stocks for future generations. The MSC program contributes to several of the UN's Sustainable

Development Goals. MSC certification is used by countries and organisations as an integral part of their voluntary commitments towards delivering SDG14 on Life Below Water. This includes targets to end overfishing, restore fish stocks, protect marine ecosystems and eliminate IUU fishing. The MSC also helps efforts to strengthen food security (SDG2), promote sustainable economic growth (SDG8), promote sustainable consumption and production (SDG12), and strengthen global partnerships for sustainable development (SDG17).

### GMO Position

Skretting Australia's procurement strategy is to source our raw materials as non-GMO (Genetically Modified Organisms). Skretting's feeds categorically satisfy the GMO free status as stipulated by The Food Standards Australian and New Zealand Code. We include the DNA reference in our Quality Assurance Declaration as this is the key indicator that ensures feed ingredients are in fact free of the GMO raw materials. DNA from certain strains of bacteria are used as recombinant DNA in GM agricultural crops to obtain favourable traits such as disease or pesticide resistance. So testing for foreign DNA is an important assurance for the GMO-free status.





## Ingredients

### Procurement practices/ supplier screening

- Skretting and parent company Nutreco focus on supplier engagement through the group-wide Supplier Code of Conduct (<http://www.nutreco.com/globalassets/nutreco-supplier-code-of-conduct.pdf>).
- The Supplier Code of Conduct is applicable to all our suppliers and provides clear guidelines for how we expect them to act in the areas of Integrity and Business Conduct, Human Rights, and the Environment. We wish to use our influence to encourage suppliers to adhere to the Supplier Code of Conduct and to request their suppliers to do the same, supporting us in making a positive contribution to using sustainable raw materials.

### Supplier code of conduct

- Mandatory for all suppliers to sign after 1/1/2015

### Certified materials

#### FISH MEAL

100% IFFO RS  
(reduction fisheries only)

#### FISH OIL

80.1% IFFO RS  
(reduction fisheries only)

#### SOYA

100% Proterra

### Marine biodiversity

- According to our criteria for marine products from fish processing must not come from threatened species. Suppliers shall not process species or by-products from species that are classified as “Critically Endangered” or “Endangered” in the IUCN Red List. Species that are listed as “Vulnerable” are not eligible for use as by-product, unless for fisheries from a discrete sub-population assessed to be responsibly managed. Regarding marine ingredients processed from whole fish, stricter requirements apply regarding fishery management.

### 2019 Inclusion of feed ingredients (%)

Weighted Avg	%
<b>Marine Proteins</b>	
Fish meal (reduction fisheries)	6.68
Fish meal (by-products)	4.03
<b>Land-animal Proteins</b>	
Poultry meal	14.92
Feather meal	4.52
Meat meal	1.84
Blood meal	3.53
<b>Vegetable Proteins</b>	
Faba bean	0.68
Lupin	2.02
Wheat Gluten	7.91
Soya Protein Concentrate	2.83
<b>Marine Oils</b>	
Fish Oil	7.00
<b>Land-animal Oils</b>	
Poultry Oil	10.96
<b>Vegetable Oils</b>	
Canola Oil	6.44
<b>Carbohydrate</b>	
Wheat	12.97
<b>Technical and others</b>	
	13.67
<b>Total</b>	<b>100.00%</b>

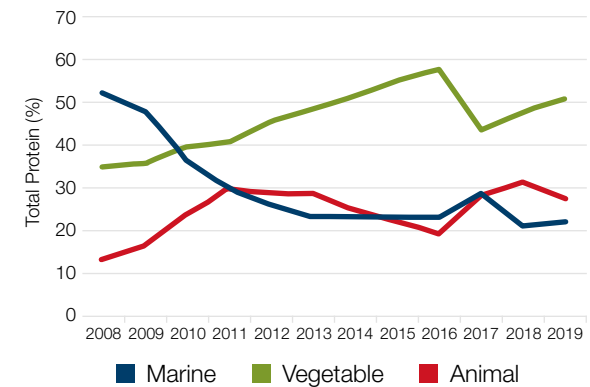


## Ingredients

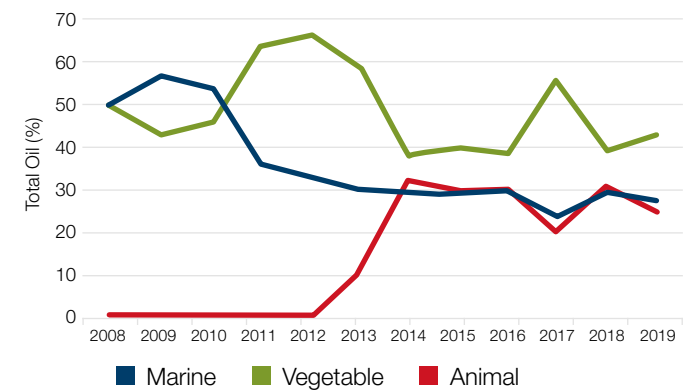
### Species origin and conservation status

Reduction fisheries						
Fishery location	Species	Latin Name	Fish meal (%)	Fish oil (%)	Meets ASC criteria	IUCN Status
Peru	Anchovy	<i>Engraulis ringens</i>	16.7	73.1	Yes	Least Concern
Australia	Blue Mackerel	<i>Scomber australasicus</i>	23.0		Yes	Least Concern
	Jack Mackerel	<i>Trachurus declivis</i>	5.6		Yes	Least Concern
	Red Bait	<i>Emmelichthys nitidus</i>	5.9		Yes	Least Concern
	Blue Whiting	<i>Micromesistius australis pallidus</i>	2.2		Yes	Least Concern
Antartica	Krill	<i>Euphausia superba</i>	6.8		Yes	Least Concern
China	Japanese anchovy	<i>Engraulis japonicus</i>		7.2	No	Least Concern
India	Sardine	<i>Sardinella longiceps</i>		11.3	No	Least Concern
			<b>60.2%</b>	<b>91.6%</b>		

### Historic use of protein in feeds 2008–2019



### Historic use of oil in feeds 2008–2019





## Ingredients

Trimblings and by-products						
Fishery location	Species	Latin Name	Fish meal (%)	Fish Oil (%)	Meets ASC criteria	IUCN Status
Thailand	Skipjack tuna	<i>Katsuwonus pelamis</i>	12.2		Yes	Least Concern
	Yellowfin tuna	<i>Thunnus albacares</i>	2.0		Yes	Near Threatened
Samoa	Skipjack tuna	<i>Katsuwonus pelamis</i>	11.7		Yes	Least Concern
	Yellowfin tuna	<i>Thunnus albacares</i>	1.6		Yes	Near Threatened
	Albacore	<i>Thunnus alalunga</i>	5.1		Yes	Near Threatened
PNG	Skipjack tuna	<i>Katsuwonus pelamis</i>	2.2		Yes	Least Concern
	Yellowfin tuna	<i>Thunnus albacares</i>	0.4		Yes	Least Concern
	Albacore	<i>Thunnus alalunga</i>	0.2		Yes	Near Threatened
New Zealand	Hake	<i>Merluccius capensis</i>	4.5		Yes	Least Concern
	Frost Fish	<i>Lepidopus caudatus</i>		0.1	Yes	Least Concern
	Silver Warehou	<i>Seriotelele punctata</i>		0.1	Yes	Least Concern
	Hoki	<i>Macruronus novaezelandiae</i>		5.4	Yes	Least Concern
	Blue whiting	<i>Micromesistius australis pallidus</i>		0.2	Yes	Least Concern
	Javelin fish	<i>Lepidorhynchus denticulatus</i>		0.3	Yes	Least Concern
	Rattail	Family Macrouridae		0.3	Yes	Least Concern
	barracouta	<i>Thysites atun</i>		0.4	Yes	Least Concern
	Spiny dogfish	<i>Squalus acanthias</i>		0.2	Yes	Least Concern
	Jack mackerel	<i>Trachurus murphyi</i>		0.8	Yes	Least Concern
	Hake	<i>Merluccius australis</i>		0.0	Yes	Least Concern
	Blue Mackerel	<i>Scomber australasiacus</i>		0.0	Yes	Least Concern
	Ling	<i>Genypterus blacodes</i>		0.3	Yes	Least Concern
	Other			0.4	Yes	Least Concern
			<b>43.5%</b>	<b>6.4%</b>		



## Operations

### Commitment to safety

Safety at Skretting is and always will be our number one priority at our workplace. It is vital that our environment and culture around safety is one that enables our people returning home safely to their families every day. We have seen many improvements being implemented in our business that have led to a safer environment for our teams and people including; safer access to silos, the installation of a new compactor, safety improvements around logistics (pedestrian actions) and many more.

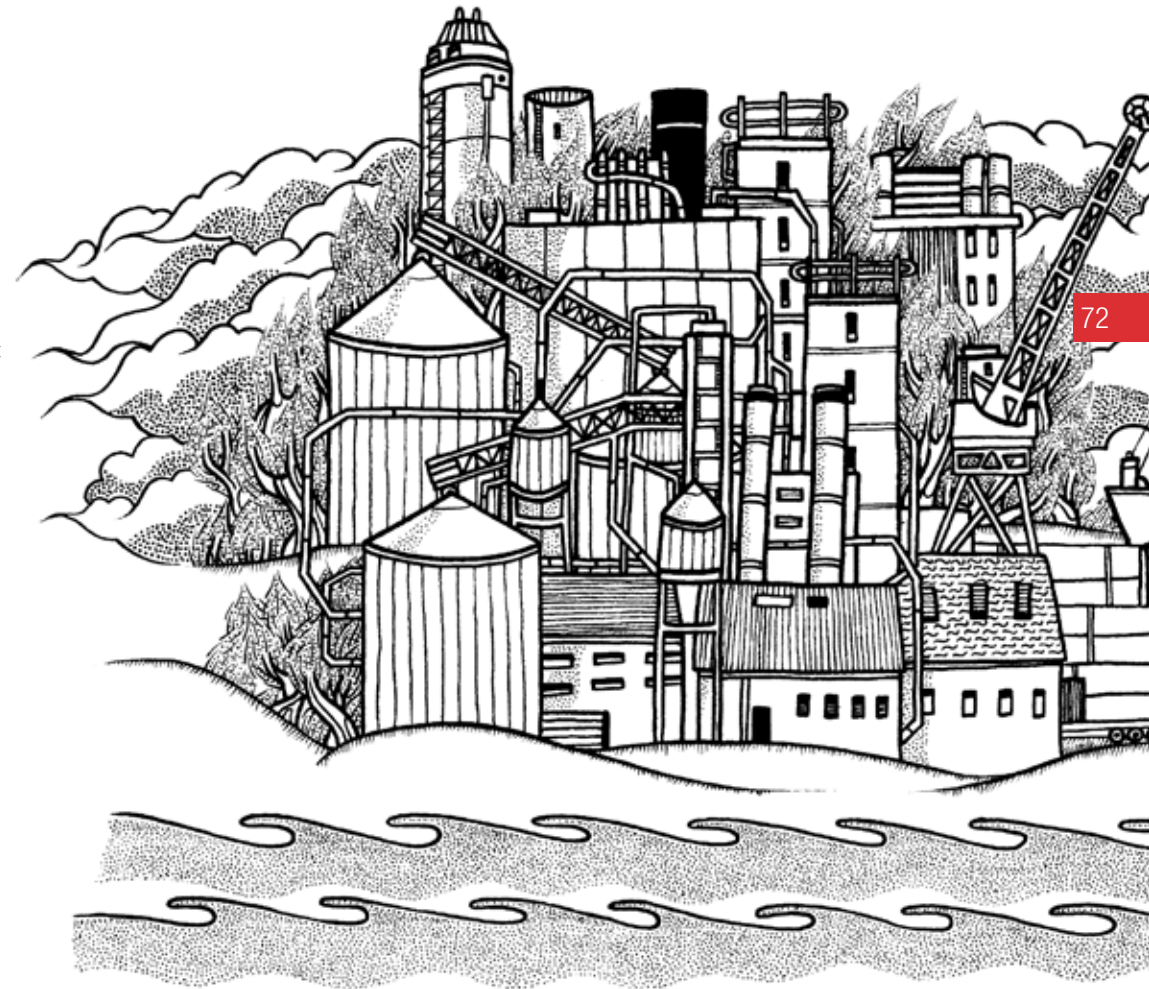
### Environmental Policy and System

As a manufacturer of fish feed for Australian and New Zealand aquaculture operations, we strive to minimise our impact on the surrounding environment and promote the long-term environmental and economic sustainability of our operations. We also strive to demonstrate committed care for community safety and the health and welfare of our employees.

Our scope encompasses the operations and employees at our Cambridge factory.

### At Skretting Australia, we are committed to:

- Achieving our target of zero environmental incidents and prevention of pollution
- Ensuring continual improvement of our environment management system and supporting our suppliers, contractors and customers to do the same
- Deploying information and resources to achieve our objectives and targets
- Upholding legal and other requirements regarding the environment, including maintaining our environmental management certification (ISO14001:2015)
- Considering the environment when making improvements in the design and modification of our facilities, equipment, systems and processes
- Effectively procure and utilise environmental friendly products and services where possible
- Taking responsibility for contributing to the reduction of our impact on the environment







## Operations

### Snapshot



#### Energy

271. kwh/t of feed produced

(265.24kwh/t of feed produced 2018)

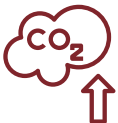


#### Water

0.54m3/t of feed produced

(0.47m3/t of feed produced 2018)

100% from municipal water supplies



#### Emissions

56.18kg CO2e/t of feed produced

(49.13kg CO2e/t of feed produced 2018)



#### Waste

1.49kg/t of feed produced

(3.4kg/t of feed produced 2018)

#### Waste type, disposal

57.3% of waste is recycled/reused;

42.7% is general/controlled burial

- General: 42.7%
- Cardboard/paper: 4.9%
- Plastic: 22.0%
- Wood: 25.5%
- Organic: 0%
- Metal: 4.8%
- E-waste: 0%

#### Water discharge

- Trade waste volume 15.7ML

#### Environmental incidents

- Odour: 0
- Noise: 0
- Dust: 0

#### Food safety incidents

- 0 incidents

#### Lost Time Injuries

- 4 LTIs
- 30 different in-house training & development opportunities offered

#### Certification and % of production volume certified

- ISO 9001 (100%)
- ISO 14001 (100%)
- HACCP (100%)
- Global GAP CFM (100%)
- FeedSafe (100%)
- BAP (100%)



## Operations

### Independent Certification

Skretting Australia is certified and compliant to a variety of international and national certifications.

Skretting Australia's products are manufactured in accordance with;

#### *i) Quality Management Standard ISO 9001:2015*

Skretting have a documented quality system which complies with ISO 9001:2015 (Quality Management Systems). This Standard is designed to achieve continuous improvement and quality focus throughout the organisation. Some of the requirements of the Standard include; written standard operating procedures, a system for ensuring corrective and preventative action, an internal auditing program, an approved suppliers program, effective process control and an effective training program.

#### *ii) FeedSafe™ (Stockfeed Milling Industry Code of Good Manufacturing Practice)*

FeedSafe is the Stock Feed Manufacturers' Council of Australia (SFMCA) industry-wide Quality Assurance program. FeedSafe is a certificate awarded by SFMCA, to feed mills which comply with the industry Code of Good Manufacturing Practice

(GMP). FeedSafe certification ensures that Skretting Australia has processes in place to deal with Food Safety issues, in particular those which are relevant to biosecurity for our customers and the Australian Stockfeed Industry.

Skretting Australia's supplies of poultry and mammalian products are derived from facilities that are AQIS (Australian Quarantine and Inspection Service) export accredited. They are a sustainable by-product of animals reared for human consumption and are treated according to strict processing parameters that maintain the integrity of the products.

#### *iii) HACCP (General Principles of Food Hygiene)*

HACCP are principles developed by the Codex Alimentarius Commission, which is a body set up by the Food and Agriculture Organisation (FAO) of the United Nations and the World Health Organisation (WHO).

Skretting incorporate certified HACCP principles to manage food safety risk. The Critical Control Points (CCP) in the manufacturing process have been identified and recorded in a CCP Summary Table. This table is then used in the workplace to readily assist Skretting employees in

avoiding food safety non-conformance. Skretting's HACCP procedures are concerned with Food Safety issues that may affect fish or humans.

#### *iv) Global G.A.P*

Global G.A.P. is a voluntary third party certification scheme that sets standards for production processes for agricultural and aquaculture processes worldwide. The Global G.A.P. standard is primarily designed to demonstrate to consumers where the food is made, how it is produced, ensuring minimal adverse environmental impacts and worker safety. Skretting Australia was first certified to the Global G.A.P. CFM standard in 2014.

#### *v) Environment Management Standard ISO 14001*

Skretting have a documented environmental management system which is certified to ISO 14001:2015 (Quality Management Systems). ISO 14001 is the international standard that specifies requirements for an effective environmental management system (EMS). It provides a framework that an organisation can follow, rather than establishing environmental performance requirements.

#### *vi) Best Aquaculture Practice Feed Mill Standard*

Skretting Australia has held BAP accreditation for its feed mill since 2018. BAP is an international certification program based on achievable, science-based and continuously improved performance standards for the entire aquaculture supply chain- farms, hatcheries, processing plants and feed mills.

#### *vii) Aquaculture Stewardship Council Farm Standard*

Skretting Australia are also compliant against the feed component of the Aquaculture Stewardship Council (ASC) farm standard. The Aquaculture Stewardship Council (ASC) is an independent, not-for-profit organisation that operates a voluntary, independent third-party certification and labelling programme based on a scientifically robust set of standards. The ASC standards define criteria designed to help transform the aquaculture sector towards environmental sustainability and social responsibility, as per the ASC Mission.



## Commitment

### Sponsorships/donations

We sponsored, donated and attended a range of community events, functions and conferences. These include but are not limited to:

- Tasmanian Fire Service
- Graeme Dingle Foundation
- 15 Trees
- Cambridge Primary School
- Hobart Lions Club
- Food Bank Tasmania
- Black Dog Institute
- Australian Farmers
- New Zealand Aquaculture Conference
- Fish in Schools program – New Zealand
- Movember
- Rural Aid
- Drought Angels

We also donate feed to educational organisations such as schools, universities and trade training centres, etc. These include but are not limited to:

- Huon Trade Training Initiative
- Experimental Aquaculture Facility

### 15 Trees Ongoing Support

Skretting Australia sponsored the planting of 853 trees to offset the air travel emissions from the previous year.

Skretting's trees were planted at Tramway Hill, Tasmania on Threatened Species Day (September 7th). The plantings were coordinated by Fifteen Trees who coordinate with local volunteer groups such as Landcare Tasmania to undertake the plantings.

We have sponsored Fifteen trees since 2013 (7 years) and over this time have planted 7,721 trees across Tasmania.

### Community Engagement: Okiwi Bay Open Day Event, NZ

Skretting Australia in conjunction with New Zealand customer Sanford, held



Community Day event held at Skretting Australia's Okiwi Bay Aquaculture Facility (OBAF)

a community open day at our newly commissioned research facility in Okiwi Bay in February 2019.

Approximately 300 people attended the event. Everyone was offered delicious Big Glory Bay salmon (Sanford produced) to eat, a personal guided walk through the feed research facility and heaps of opportunities to get into conversation with the team. The industry representatives explained what goes in their feed to keep the King salmon healthy, how they make it and why fish research and development is so important to drive continuous improvement in the New Zealand King Salmon industry.

### Skretting Australia Support Tasmanian Fire Service

Skretting Australia has proudly supported the Tasmanian Fire Service (TFS) by sponsoring the purchase of new firefighting equipment. In the wake of the significant bush fires that affected large areas of our home state in 18/19 Summer, we wanted to support the TFS's future efforts to mitigate and contain fires. Our business has a long and positive relationship with TFS and we wanted to recognise the incredible role they play during times of emergency to keep Tasmanian communities and businesses safe.

Skretting Australia's annual Easter Egg hunt is a popular calendar event for our staff and families.



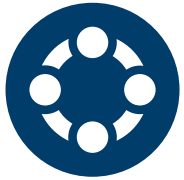
### Employee Engagement

Achieving the employer of choice award in 2016 by the Tasmanian Government, was a proud moment for our business. The award was recognition that Skretting Australia has put in place a very successful values based cultural improvement program that has resulted in significant business performance gains. This award recognises all the work that everyone has put in to build our workplace. We are passionate about our business and have a shared vision of our future that we are working to realise.

Our employees are a key stakeholder for our business and as such we want to ensure they are clear on the journey our organisation is taking. In 2019 Skretting Australia held their whole of business workshop. The workshop provides the forum for the wider team to get together and learn about the business strategy and key objectives. It provides a good opportunity for our people to learn more about the projects that aren't necessarily involved in their day to day roles.

Skretting Australia also maintain an active social club. These functions over the course of the year that help toast the effort that our team delivers to our organisation.





## Commitment

### Industry Association Engagement

Skretting is a world leading producer and supplier of feed for farmed fish and prawns. Skretting is part of a larger global family with 18 other operating companies found throughout the world. This enhances our strength as an aquafeed supplier as we can use our global network to further support the progress and outcomes for the Australian and New Zealand aquaculture sectors. Over the course of the year we participated in various industry events. Our engagement with industry at conferences and workshops is important as it allows a forum to share the global innovation and sustainability that is at the heart of our market offerings. Aquaculture has come a long way in a relatively short period, and we believe our global expertise in the area of aquaculture nutrition has ensured that growth has been as productive and sustainable as possible.



Skretting Australia team members participated in the first National Barramundi day.



Skretting Australia participated in the Australian Prawn Farmers Association annual symposium in 2019.



Skretting Australia participated in The Tasmanian Seafood Industry Council (TSIC) Awards Night.



## Future Goals



### Nutritional Solution

#### Target

- Conduct research trials at our Experimental Aquaculture Facility (Taroona) and Okiwi Bay Aquaculture Facility to improve feed efficiency, raw material utilisation and optimise nutrition in high temperature.
- Participate in Blue Economy CRC scoping project exploring the key biological challenges of high energy farming.
- Continue to develop our product offering for the Australian Prawn Industry including the implementation of automated feeding systems.
- Launch product and services that improve water treatment that lead to better production outcomes for prawn and barramundi aquaculture systems.



### Ingredients

#### Target

- Continue to work toward our target of 100% of our marine raw materials are MarInTrust and/or MSC certified or are subject to a Fishery Improvement Project (FIP) by 2020.
- Investigate and evaluate potential new and alternative raw materials.
- 100% of wooden pallets are FSC-certified or equivalent by 2025.

#### Objective

Develop unique combinations of products, services and models that are designed to help farmers boost productivity, support animal health and minimise negative impacts.

#### Objective

To expand our raw material profile and secure our supply chain of critical raw materials.



14 LIFE BELOW WATER



14 LIFE BELOW WATER



15 LIFE ON LAND



17 PARTNERSHIPS FOR THE GOALS



## Future Goals



### Operations

#### Target

- Obtain RC X Feed Mill Certification by 2021.
- Obtain Aquaculture Stewardship Council (ASC) Feed Mill Certification for our feed mill by 2022.
- 100% Skretting Australia's packaging to be recyclable, compostable or reusable by 2025.

#### Objective

To minimise the impact of our direct operations and create valuable employment opportunities for the communities and industry in which we operate.



### Commitment

#### Target

- Implement programme to help facilitate leadership development opportunities for our employees.
- Conduct community day event in 2021.
- Conduct innovation and development forums with our key stakeholders to identify where Skretting can further support a dynamic aquaculture industry.

#### Objective

Establish meaningful partnerships and engagement activities with internal and external stakeholders that lead to mutual social, environmental and economic benefits.



8 DECENT WORK AND ECONOMIC GROWTH



4 QUALITY EDUCATION



17 PARTNERSHIPS FOR THE GOALS

