Skretting Australia Impact Report 2023

Summary of our highlights and impact from 2023





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6 Switching from a Sustainability Report to an Impact Report is not just a change of name, but an acknowledgement that anything we do has an impact both on the environment and society. And we want to be accountable for that.



Melissa Abbott General Manager, Skretting Australia

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Welcome to our Impact Report, which showcases the most relevant developments on our sustainability journey during 2023! 2023 marks Skretting Australia's 10th year of sustainability reporting at Skretting Australia. Switching from a Sustainability Report to an Impact Report is not just a change of name, but an acknowledgement that anything we do has an impact both on the environment and society. And we want to be accountable for that.

This year's report goes beyond just our sustainability performance, and holistically covers three pillars: People, Planet, Performance. Each section covers our proudest achievements from the year and reports on progress against our sustainability targets. As always, we have a chapter dedicated to our ingredients, which can be found at the end of this report.

Safety has always been at the heart of what we do, and 2023 was no different. We took significant steps to relaunch and reaffirm our Life-Saving Rules. Ensuring that everyone on our sites—team members, contractors, and visitors alike—understood and adhered to our safety protocols. Our aim is to foster a culture where safety is deeply ingrained in our daily operations, helping to prevent accidents and ensuring that everyone goes home safe and well everyday.

To achieve this, we introduced comprehensive training programs and held regular safety drills. These initiatives kept safety top of mind and reinforced our commitment to a safe working environment. We also rolled out a new reporting system to quickly identify and address potential hazards, enabling us to make our workplace even safer.

2023 marked a significant milestone as we upgraded our Cambridge factory packing system to an automated system. This investment was aimed at boosting our operational efficiency, reducing manual handling and improving the consistency and quality of our products. Automation not only supported our current needs, but also prepares us for the anticipated growth in the aquaculture industry. This upgrade allows us to better serve our customers, ensuring timely and reliable delivery of high-quality feed products. Additionally, it frees up our skilled workforce to focus on more strategic tasks, driving innovation and continuous improvement across our operations.

Global climate events had a significant impact on our industry in 2023. The El Niño phenomenon in Peru caused major fluctuations in fish oil prices, challenging our cost structures. We closely monitored these developments and collaborated with our supply chain partners to mitigate the effects on our operations and clients. We responded by diversifying our sourcing strategies and exploring alternative ingredients to maintain the nutritional value and integrity of our products. The disruptions experienced this year reinforce our belief in looking to the future and delivering on our strategy of continuously validating new materials to increase formulation flexibility to support our clients through future market disruptions.

Our people are our greatest asset, and we continued to invest in our training and development program offering. We invested in comprehensive training programs and career development opportunities, equipping our team with the skills and knowledge needed to excel. By fostering a culture of continuous learning and professional growth, we are building a more capable and motivated workforce.

Skretting's purpose of Feeding the Future resonates strongly with our employees. In 2022 our parent company introduced their guiding purpose of having the Courage to Care for generations to come. We embraced this philosophy and embedded it through a business-wide workshop for all employees to feel a stronger connection to why they are doing what they do.

Nutritional solutions are the core of our business. As the aquaculture industry diversifies we are ready with the latest feed innovations for the market. Bespoke barramundi feeds have long been a part of our product line. In 2023 we were proud to conduct our first on-farm validation trials for our new feed solution, Cosmos. Multiple years of research and development efforts focused on a deeper understanding of the nutritional requirements which led to the development of this diet. We are extremely proud to introduce Cosmos to the market to support the future growth of our domestic industry.

Our 2023 Impact Report provides greater transparency on each of these highlighted areas, as well as many other proud achievements from our year. I hope you enjoy reading this report. I invite you to contact us with any comments or questions you may have.

Melissa Abbott General Manager Skretting Australia

Our impact

In 2023, through our feed, we contributed to the production of more than 1.4 million portions of seafood meals per day across the globe.





The framework that guides us

Our parent company, Nutreco, has a Sustainability Roadmap 2025 which is the guiding document for our local sustainability strategy. Not all of the Roadmap pillars are reported on directly, but each one is addressed through our people, planet, performance, and ingredient chapters.

Nutreco Sustainability Roadmap 2025

Skretting Impact Report – 2023



Nutreco Sustainability Roadmap 2025 focus areas

Health and welfare

Focus: Antimicrobial resistance

- Innovating new products and services that will reduce dependency on antibiotic usage in animal husbandry
- Adopting five-step targets that will significantly reduce antibiotic usage by creating business opportunities for clients

Climate and circularity

Focus: Reducing GHG emissions

- Setting science-based targets for reducing emissions through energy efficiency programmes and sustainable ingredient sourcing, incorporating life cycle assessment methodologies and utilising new ingredients
- Addressing the responsible handling of natural resources, biodiversity and ecosystems

Good citizenship

Focus: Diversity and inclusion

- Building a more diverse and inclusive workforce
- Empowering local communities with best practices and technology to help people raise themselves out of extreme poverty through farming sustainability



Chapter 1 People

Our people goals

Our people pillar is primarily focused on diversity and inclusion (D&I), safety, community engagement and team development.

We want everyone to thrive in an environment where we feel valued and respected and to nurture a culture that brings out the best in all of us. To help us succeed in Feeding the Future, we welcome everyone as valued members of our family, with equal opportunities to be the best they can be. We respect people for who they are and embrace diversity, listening to, and learning from, each other's unique perspectives.

Our targets

33% of leadership positions held by women

Achieve 100% compliance with the ASC Feed Standard social criteria

Skretting Impact Report – 2023





People: snapshot

team members





1291 training hours

4004 engagement hours

Skretting Impact Report – 2023

10000+courses undertaken





1877 hazards reported



Everyone safe and well, everyday

A year of safety

At Nutreco, our core value is people first. We never compromise on safety or health. Our working environment fosters trust and collaboration, and we firmly believe that achieving zero harm is possible when everyone demonstrates care for their colleagues, visitors, and all those working within our facilities. This commitment is reinforced by strictly adhering to our health and safety procedures and instructions.

Mental Health

In 2023, Skretting Australia forged a vital partnership with Rural Alive and Well (RAW) to develop a comprehensive mental health strategy across all our sites and locations. RAW's systematic approach assesses mental health risks and validates progress over time, making them an invaluable collaborator to help guide the first iterations of our mental health strategy.

Throughout the year, we conducted multiple training sessions focused on mental health literacy for our entire team. Team leaders received accidental counsellor training, and select members underwent mental health first aid training. Increasing mental health literacy is pivotal to our strategy, as team buy-in is essential for the success of any safety program.

RAW further supports our efforts by providing a counsellor on-site every fortnight. This availability ensures that any member of the Skretting Australia team can have a confidential conversation about anything that may be affecting their mental health, without leaving the workplace.

Mental health remains one of the most significant health and safety risks in our business, yet its invisible nature makes it challenging to manage. While we acknowledge there is still progress to be made on our mental health journey, we are confident that we are on the right path to effectively support our team.

Life-Saving Rules

During our flagship internal campaign, Safety Week 2023, Nutreco relaunched our life-saving rules. These nine rules serve a clear purpose: to save lives! Each rule corresponds to a high-risk activity and provides a straightforward framework for safe operations.

The guiding principle behind each life-saving rule is "take a minute." We strongly encourage everyone to pause, think, and act deliberately before undertaking any activity. The implementation of the new lifesaving rules was also partnered with a new reporting system for incidents. All incidents that were

recorded in relation to a life-saving rule were instantly escalated to a potential serious injury or fatality (PSIF), which requires a root cause to be identified. This is reflected in our safety KPIs as a significant jump, which may be interpreted as a safety lapse, however this should actually be viewed as Skretting Australia taking increased accountability of unsafe conditions. This is confirmed by the reduction in our total recordable incidents, as none of our PSIFs were actually escalated to an incident status.

Alongside the change in PSIF definition, we also introduced a new reporting KPI "recognitions". Recognitions are designed to be a more positive interaction compared to negative interaction where an unsafe or potentially unsafe act or environment has been identified. Recognitions are a formal way of recording the successful execution of safety procedures and precautions, in particular if the person has performed above and beyond the call of duty. Introducing recognitions aims to promote and celebrate good behaviours rather than just outlining areas of improvement.

Skretting Impact Report – 2023



Skretting Australia safety KPIs

Serious Injury or Fatality

Total Recordable Incidents

Potential Serious Injury or F

Hazards raised

Recognitions



	2023	2022
	0	0
	0	2
atality	52	34
	187	189
	121	n/a

Courage to Care: for generations to come

Our purpose-led program that gives us a platform to take action on our long-term people, planet and performance ambitions, while supporting our overall business strategy.

Propries

PERFORMANCE

COURAGE TO CARE

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SHV

In 2022, our parent company, SHV, introduced a new guiding purpose: "Courage to Care, for Generations to Come." This philosophy embraces the three pillars of people, planet, and performance, and it sets a forward- looking vision for our business—one that strives to create a better world today and an even better one tomorrow. Courage to Care isn't just about adapting to change; it's about our determination to shape the future.

Local workshop

In November, after months of engaging with our team, Skretting Australia launched its own "Courage to Care" ambition. While aligned with SHV's framework, our local approach emphasizes opportunities unique to our industry and region.

We kicked off this ambition with a whole-of-business workshop. During this event, various team members showcased projects and initiatives that already exemplify our courage to care. These presentations highlighted the meaningful ways we're making a difference every day.

To cap off the workshop, everyone was encouraged to set a personal "Courage to Care" goal for 2024. This goal goes beyond their usual work and directly contributes to one of the three pillars. The idea is to empower every member of our team to shape both our organization and the world around us in a way that resonates personally.



The Skretting Australia Team at our Cambridge Factory, Tasmania

Skretting Impact Report – 2023



Building a culture around diversity & inclusion

Addressing the opportunity

In today's global landscape, diverse viewpoints and ideas are essential for solving complex, emerging and ever-changing challenges. Fortunately, Australia boasts an incredibly diverse society and at Skretting Australia we are committed to ensuring this diversity is wellrepresented within our business. Our ambition is clear: to treat everyone fairly and equitably, fostering an inclusive culture where all individuals are respected, engaged, and provided opportunities for personal and professional growth.

In 2023, we took significant strides toward achieving our goals. For the first time, we established a comprehensive calendar of diversity and inclusion (D&I) events. These intentional efforts included active engagement on D&I topics and the formation of a dedicated team to drive progress. By creating a structured approach, we aim to build a workforce that celebrates differences and thrives on collaboration.

As we move forward, we remain committed to championing diversity and inclusion, recognizing that it enriches our organisation and empowers us to overcome challenges together.



Men's health advocates at the Cambridge factory, Tasmania

One team member took it upon himself to champion men's health. Together with a team of 20 team others, he raised over \$12,000 for the Movember Foundation.

Events & engagement

At Skretting Australia, our ambition is to create an inclusive and enjoyable working environment for all, a place where all team members feel empowered to celebrate their own diversity. We recognize the value of diverse perspectives and encourage everyone to suggest ways to honour events that matter to them.

In 2023, we acknowledged or celebrated the diversity of our team through a myriad of events. Some highlights from the year included:

Lunar New Year Celebration: A peerled session on Chinese calligraphy allowed us to immerse ourselves in the rich cultural traditions associated with the Lunar New Year.

Inclusive Leadership Workshop: Led by the Tasmanian organization "Working it Out," this session focused on fostering LGBTIQA+ inclusivity within our team.

Family Diversity Campaign: An internal communications campaign highlighting the diverse family structures within our Skretting Australia community. One team member took it upon himself to champion men's health awareness. Together with a team of 20 team others he participated in Movember, raising over \$12,000 for men's health. Alongside fundraising efforts, the team shared personal stories related to cancer and mental health, normalising issues relating to men's health and driving a speak up culture.

Our ultimate ambition is that through continued familiarity and open dialogue, every member of the Skretting Australia team will feel comfortable, proudly sharing their unique points of personal diversity with the greater team.

D&I committee

Diversity and inclusion (D&I) challenges vary across different contexts and solutions that work elsewhere may not be ideal for Australia. Additionally, we must pro-actively address imperfections in our company culture before they escalate into defined problems.

Acknowledging these challenges, Skretting Australia established a D&I committee in 2023. Comprising of members who represent our internal diversity, this committee advocates for and champions a proactive D&I culture. Their presence ensures that the entire Skretting Australia team has designated contacts for consultation, idea sharing and leadership on D&I topics.

Investing in our people

At Skretting Australia, our people take centre stage. We recognize that it's not just about having the right individuals; it's about having them in the right roles at the right time. In today's fast-paced business environment, defining the "right role" has become increasingly complex. It's a time where mental agility and a growth mindset are more critical than ever.

Over the past 12 months, exciting opportunities have arisen for many team members to explore growth beyond their usual responsibilities. These experiences have allowed us to access untapped potential and foster adaptability across our organization.

The global network

We recognize that one of the greatest assets to our teams development is the connections to the global Nutreco network. This network extends far beyond our local team of 110 people and provide opportunities for mentoring and growth that tap into the wealth of knowledge present in our global network of 3000+ people. Through this network, our team members can directly connect with some of the most experienced and talented individuals in their respective fields.

In 2023, we welcomed guests from various Nutreco divisions, including the Nutreco Competence Centre (NCC), Operational Excellence, and Formulation. These interactions enriched our local knowledge base, connecting our local team with industry leaders, enabling us to strive for industry best practice across all of our departments.

Additionally, some of our team members had the opportunity to travel overseas, participating in global meetings related to nutrition, process engineering, and health.

Following the digitalisation of workstreams following COVID-19, we have also challenged ourselves on being a more interconnected global organisation. Many members of the Skretting Australia team are a part of global working groups and meetings remotely driving fast knowledge sharing and learning between countries.

This global exchange of expertise reinforces our commitment to continuous learning and growth, ultimately benefiting our entire organization.

Development spotlight: Process operator training

Dave Turner joined the Skretting Australia team in 2021 as a Team Leader at the Westbury facility. His nearly 20 years of experience working with extruders, both within and outside the aquaculture industry, positioned him as one of the most knowledgeable and experienced members of the Westbury team.

Every year in Stavanger, Norway, the Skretting Global Operations Team hosts a process operators training course for extruder operators worldwide. Several Skretting Australia team members have had the privilege of participating in this course over the years. It's a fantastic opportunity for extruder operators to delve into the technical intricacies of feed production, learning from some

of the foremost experts in the field. Recognizing Dave's extensive extrusion experience and leadership at Westbury, he was selected to join the 2023 program in Norway.

Over nine intense days, Dave and eight global colleagues immersed themselves in the training course led by Stuart Fyfe, Global Operations Manager. The program covered all stages of the production process, striking a balance between hands-on learning and theoretical lessons.

Upon returning to Tasmania, Dave eagerly shared his new-found knowledge with the rest of the team. "There's so much to absorb from such a short trip," Dave remarked. "But it's truly inspiring to witness what's possible and recognize the abundant opportunities here at Westbury." Dave's dedication and fresh insights were formally acknowledged, resulting in his welldeserved promotion to Process Supervisor at the Westbury facility.

Operational excellence boot-camp

In May 2023, the Nutreco **Operational Excellence Team visited** Skretting Australia's Cambridge site to conduct an intensive week-long operational excellence boot-camp. The primary focus was transferring global competencies and excellence from the Nutreco group to the Skretting Australia Team. This transformative boot-camp sparked significant change within the Skretting Australia team. For more details, refer to page 28.

Number of cou

Number of train

Dave Turner and colleague Sam Fish analysing finished feed at Westbury,

The 2023 Skretting Process Operator training cohort, Stavanger, Norway

- Our People

Skretting Australia training KPIs

	2023	2022
irses completed	1000	653
ning hours	1291	870

Community: building trust through engagement

Our landscape in 2023

Our community ambition is straightforward: we aspire to build pride within our company, neighbours, community and industry through meaningful interactions and contributions. While our operations employ over 110 people, it's worth noting that only a few team members reside in the immediate vicinity of our facilities. This situation poses a challenge: while we cultivate an incredible internal culture, this doesn't automatically mean that we are well connected with our local communities.

To address this, we actively seek meaningful ways to collaborate within our local community. Specifically, we look for synergies between our organizational needs and those of the community.

In early 2023, Skretting Australia made a seemingly small gesture: we donated excess materials from our maintenance department to the Westbury Men's Shed. From our perspective, it was a small donation of material excess to our needs. However, for the Men's Shed—an essential organization in our regional community—it was a significant donation with deep meaning. These interactions exemplify the type of relationships we aim to develop further in the years ahead.

If you are a member of a local community organisation, business, community group, or school and would like to explore opportunities to collaborate with Skretting Australia, please email community.au@skretting.com and we will get in touch.

Across 2023 we spent over 70 hours giving tours, presentations, and lectures to a variety of stakeholders.

Members of the Skretting Australia team completing a community clean up in Cambridge, Tasmania.

Community open days

At Skretting Australia, we firmly believe that face-to-face interactions are the cornerstone of building trusted relationships. Throughout the year, we extend invitations to a diverse range of stakeholders, inviting them to our facilities to meet our team and gain insights into the world of aquafeed. In 2023, we dedicated over 70 hours to conducting tours, presentations, and lectures for various groups, including industry associations, environmentalist organizations, schools and universities.

Among our most impactful community interactions are our community open days. During these events, we warmly welcome the local community, industry partners, friends, and family to explore our sites and learn about our operations. In 2023, we hosted two such open days—one at the Westbury plant and another at the Okiwi Bay Aquaculture Facility in New Zealand. These gatherings serve as valuable forums for engaging with stakeholders, with the open and interactive format allowing guests to ask questions at their own pace.

Notably, our interactions with the local community at Okiwi Bay have been particularly successful. Back in 2016, when the Okiwi Bay aquaculture facility was still in development, there was strong opposition from the community. However, during last year's open day, some of the site's initial

opponents attended and completely changed their perspective on the facility, and were now in full support of the operation. This experience underscores the power of genuine personal connections in fostering understanding and meaningful relationships. Our commitment extends beyond these events. We want our community to know that we are accessible and open to communication at any time.

Community transparency & trust: Salmon Tasmania's mission

In the salmon industry there is a lot of talk about the importance of community engagement, transparency and trust - because the truth is our communities are at the heart of all we do.

The industry engages with the community regularly and thoroughly, and there is an outstanding level of transparency delivered through salmon portals, the company web sites, regulatory reporting and on the ground interactions.

Whilst social licence in some quarters remains an ongoing challenge, for those who take the time to research, learn about, and understand the way we operate there is a great deal of trust and appreciation for how the industry conducts itself and the benefits the industry provides in regional Tasmania.

The three farming companies proudly contribute heavily to the welfare of the regions in which they do business. Not just through the quality employment opportunities and peripheral businesses that directly benefit from regional economic activity, but through the genuine generosity to, and care of their communities.

Take for example the coastline clean-ups undertaken by each of the salmon companies on a regular basis, where less than 10% of the rubbish collected is from aquaculture, arguably creating a cleaner environment than if they

weren't there. This is just one example of the industry not only cleaning up their own impact, but actively contributing to make their local communities a better place to be for all.

From coastal clean-ups, to donations to community organisations, through to engagements with regional schools, Tasmania's salmon companies are always looking for better ways to care for their backyard and to be better members of their communities.

This care extends through to environmental stewardship, where the companies are leading the way in areas such as reducing reliance on fossil fuels, developing sustainable packaging solutions, providing landbased conservation groups with the equipment they need to rehabilitate native habitat, right down to saving stranded whales and rescuing other vessels in distress.

This is a proud industry and one where you will find that those on the ground, the industry's workers, are proud of what they do and the care they take in doing it. This industry deserves positive, earned social licence and as the industry association we look forward to collaborating with community to make inroads, and develop more trust in this area over the coming years.

Luke Martin CEO - Salmon Tasmania

Luke Martin CEO, Salmon Tasmania

Engaging with the next generation

Bianca Heath Laboratory Technician

Bianca Heath, Laboratory Technician, at the Cambridge quality laboratory.

As part of our stakeholder engagement strategy, and our ambition to strengthen our people pipeline through brand-awareness and active engagement with wider industry education bodies, we prioritize connecting with young people. This approach serves a dual purpose: not only do we share our story with an essential audience, but we also actively seek input and inspiration from young minds brimming with fresh ideas.

Placements

In 2023, we hosted two students for work-experience placements in their respective fields. One student from the Queensland University of Technology, Connor Hay, joined our Communications Team and completed a 10-week project relating to our brand positioning in the local market.

The second student, Bianca Heath, joined us from the Institute of Marine and Antarctic Studies (IMAS) Tasmania for an intensive week-long placement. During her time with Skretting Australia, Bianca engaged with various departments, including production, formulation, quality, and sustainability. We were delighted to offer Bianca a part-time position in our Cambridge quality laboratory following the conclusion of her placement, allowing her to continue her studies while gaining industry experience.

Seafood Industry Tasmania

Seafood Industry Tasmania (SIT) stands as a clear partner in Skretting Australia's mission to educate and inspire the next generation of aquaculture specialists. SIT runs two exceptional programs each year, and we take pride in supporting them.

During the first half of the year, SIT engages with Environmental Science students from local Tasmanian colleges. These students participate in a full-day itinerary, visiting companies in Hobart that support our local seafood industry. As a member of the broader seafood value chain, we find it incredibly rewarding to educate students and raise awareness about the expertise involved in producing feed for fish and prawns in an aquaculture environment.

In the second half of the year, SIT hosts the "Working on Water" (WoW) program. Created in 2008, WoW introduces students from Years 9 and 10 to a diverse range of career opportunities related to the marine environment. These opportunities span the seafood industry, marine sciences, and tourism. Just as in the previous example, Skretting takes immense pride in contributing to this vital program, helping shape the young minds that will drive our industry forward.

1 - Our People

Institute of Marine and Antarctic Studies (IMAS)

Skretting Australia values its strategic partnership with the Institute for Marine and Antarctic Studies (IMAS). IMAS serves as both a local research collaborator and a crucial pipeline for developing our future team. Each year, we eagerly support IMAS by presenting lectures and running seminars on feedrelated topics.

In 2023, we participated in two hourlong seminars hosted at IMAS, providing a high-level overview of innovations in feed technologies and sustainability strategies. Additionally, we welcomed two separate groups of IMAS students to our manufacturing plant for presentations on similar topics, followed by a comprehensive tour of our production process. These interactions with the next generation of farmers, researchers, and nutritionists play a vital role in attracting talent to our organization, ensuring that we remain at the forefront of our industry. However, these events are not just self serving, as they also play an important role in raising awareness and appreciation for the complexity of the global aquaculture system.

Chapter 2 Planet

Planet: our goals

This chapter of our Impact Report is focused on reporting on our environmental impacts and our response to climatic events. A strong focus is given to our GHG emissions covering energy efficiency programmes and incorporating lifecycle assessment methodologies. We also report on our water and waste metrics for 2023, and disclose where we see opportunities for improvement in the future. In this section we also address the impacts derived from the closure of the Peruvian anchoveta fishery, and the concrete steps taken to minimise the

Our targets

Committed through Science-Based Targets

compared with 2018 baseline

100% recyclable, compostable, or reusable packaging

Skretting Impact Report – 2023

Considering all our impacts across the life cycle

The carbon footprint of fish and prawns produced through aquaculture is predominantly influenced by the carbon footprint of the feed. This holds true across species and other environmental impacts beyond greenhouse gas emissions (GHGs).¹ Even when considering the full life cycle, including distribution and consumption, feed remains a significant hotspot in the footprint of aquaculture products.²

The net environmental performance of a feed is determined by its footprint and its impact on the economic feed conversion factor (i.e., edible product per unit of feed). While the feed is just one of several factors affecting the economic feed factor, it is essential to consider nutritional and welfare properties alongside the feed's environmental footprint.

For example, a fish fed a feed with a higher footprint may actually grow a fish with a lower feed conversion ratio (which is good) and produce a seafood product with a lower total carbon footprint.

Therefore, we need to focus on the full life cycle of the product rather than on any single stages of this life cycle, or just until the feed is delivered to the farmers' gates.

Skretting Australia is dedicated to reducing GHG emissions in the entire life cycle, in collaboration with suppliers and customers. However, only focusing on reducing the carbon footprint of the feed may not help us to take the right decisions when it comes to reducing the carbon footprint of the end product – the farmed fish or prawn purchased and consumed by the consumer.

¹ Environmental performance of blue foods. Gephart J, Henriksson P, [...] Troell M. Nature (2021) 597(7876) 360-365

² Marine Fish PEFCR: Screening and recommendations, Hognes E, Stenwig H, Report from the Marine Fish PEFCR pilot, (2016)

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Life-cycle mindset We need to focus on the life cycle of the products and not on a single

Feed transportation

The carbon footprint of our feeds

Our footprint breakdown

Skretting Australia employs a life cycle analysis (LCA) to calculate the environmental footprint of our feed. LCA is a powerful tool that evaluates the environmental impact of production systems from cradle to grave. By examining all stages of the feed's life cycle, LCA identifies areas for improvement and promotes sustainable practices.

While LCA provides an overview of various environmental impacts, our primary focus at Skretting Australia is calculating the estimated climate change impact—the carbon footprint of our products. Additional information on our in-house impacts are outlined on page 20.

Our LCA considers both scope 1&2 emissions (direct emissions) and scope 3 emissions (indirect emissions). In 2023, our direct emissions accounted for less than 5% of our total emissions profile, consistent with previous LCA results. Despite the relatively small contribution of scope 1&2 emissions to our overall carbon footprint, we recognise that we have the most control over reducing these emissions and are prioritising concrete steps to do exactly that. We have set the firm target to reduce our direct emissions by at least 3% annually. For further details on these initiatives, refer to page 20.

Scope 3 emissions contribute over 95% of our products' carbon footprint. The inherent indirect nature of these emissions makes them notoriously difficult to reduce. Although they pose the greatest challenge for reduction, we remain committed to managing and minimizing these emissions. Additional information on our scope 3 emissions can be found on page 21.

Carbon footprint of Skretting Australia feeds

Scope 1 & 2

Scope 3

Scope 1 & 2 emissions

Nutreco, Skretting Australia's parent company, is committed to the Science-Based Targets initiative (SBTi). Under this commitment Nutreco is required to reduce their scope 1 & 2 emissions by 30% (compared to a 2018 baseline).

Scope 1 & 2 breakdown

In 2023, we observed a ~6% increase in our absolute scope 1 & 2 emissions from 2022.

Our scope 1 emissions are primarily generated by the burning of gas for the generation of heat and steam in our process, and to a smaller degree, the operation of our forklifts.

Our scope 2 emissions are our emissions associated with purchased electricity, with demand coming from machinery within the process and the powering of our administration facilities. Our scope 2 emissions are lower than scope 1 emissions due to a more favourable emissions factor for electricity (fewer kilograms of CO2 emitted per kWh) and therefore a lower overall demand for this energy source.

While this upward trend is not in line with our 2030 target, we are setting ourselves up for success in future years. The most important initiative undertaken in 2023 was the kick-off of our operational excellence program, which subsequently enabled us to define a magnitude of operational projects to get us back on track with meeting our 2030 target.

We are reporting slightly different numbers for our scope 1 & 2 emissions compared to our 2022 sustainability report. This is due to a recalculation of the emissions from our Westbury facility.

Skretting Australia's absolute scope 1 & 2 emissions in tonnes of CO2-e

Opportunities for improvement

The success of our scope 1 & 2 emissions reduction plan hinges on two key factors: adopting greener equipment and investing in our team to achieve the manufacturing excellence required to meet our targets. The following projects were initiated in late 2023 and will lead to significant reductions in our scope 1 & 2 emissions when finalised.

Electric boiler approval

Traditionally, our boilers have accounted for approximately one-third of our total energy consumption. Due to the relatively high CO2e conversion factor of gas, our boilers are a significant contributor to our scope 1 & 2 emissions. In 2023, we identified that our existing gas boilers at the Cambridge facility were nearing the end of their operational life and would require replacement in the coming years.

We are pleased to report that we have received approval to replace our boilers with a fully electric system. The benefits of electrifying this part of the process are twofold.

The more obvious benefit is that an electric boiler will significantly decrease our reliance on gas in favour of grid electricity. Grid electricity has a much lower emissions conversion factor compared to gas, meaning that in a like-for-like comparison, emissions associated with the electric system are significantly lower. Additionally, electric boilers are also more efficient at converting energy to heat. This means that our new boiler's energy demand will be lower on a per tonne basis. The exact benefit will be quantified once installation is completed in early 2025.

Electric forklifts

Our current fleet of forklifts at both Cambridge and Westbury runs on LPG. Although our forklifts contribute relatively little to our overall scope 1 & 2 emissions profile, we recognise that this impact is one that we have a modest amount of control over. In 2023, we purchased a fleet of fully electric forklifts, with the goal of completely phasing out our existing gas-powered forklifts. As with the boiler project, switching to an electric system is more energy efficient as it uses a lower emissions source of energy. Construction of new forklift charging sheds began at both facilities at the end of 2023, with full implementation of the electric forklift fleet being executed across early 2024.

Energy efficiency

Our Operational Excellence Programme (page 28) strengthened our existing focus on energy efficiency, by defining clear projects for improvement and driving internal culture change. Energy efficiency measures the energy consumption required per tonne of feed (usually defined as kWh/t) and is a key performance metric in our organisation. Our Australian Operational Excellence Team set an ambitious goal for 2024: to increase energy efficiency by 5%. Specific projects and focus areas covering every aspect of our operation have been defined to achieve success in this area. These projects will have clear sustainability benefits, as any reduction in energy demand mitigates the associated scope 1 & 2 emissions.

Scope 3 emissions

Scope three emissions are by far the hardest scope to decrease. Supplier engagement and collaboration is essential to drive successful emissions reduction.

The challenge

Scope 3 emissions, or emissions from the supply chain, are inherently the most difficult to calculate, monitor, and subsequently reduce. This is the nature of indirect emissions; our ability to create change is also indirect. Over the past two years, we have initiated discussions with suppliers, prioritising those with the highest contributions to our Scope 3 emissions. Through these discussions, we sought to gain an understanding of the suppliers' GHG-reduction commitments and plans, while also increasing our understanding of industry specific opportunities and challenges.

However, even the small first step has proved to be challenging due to varying degrees of reporting maturity across the industry. We expect that with the implementation of the new Australian Sustainability Reporting Standards (ASRS) that industry maturity in this area will rapidly increase over the coming years and value chain collaboration and validating emissions will become an easier more streamlined process.

Compounding benefits

Reducing our overall carbon footprint is one of the biggest priorities of our sustainability strategy. As detailed on page 15, this needs to be achieved with a life cycle mindset, not just considering the footprint at a single point in the value chain. However, achieving carbon reduction targets should not come at the detriment of other key ESG risks. This is a pertinent issue, where trade-offs regularly exist.

A current example of this dilemma is our increased utilisation of algae oil across 2023 (detailed in more detail on page 21). Algae oil has a significantly higher carbon footprint than fish oil and the sustainability case for this material can often be lost in translation. In our case, our algae oil usage was increased to offset price increases in fish oil and sustainability risks associated with uncertified materials such as modern slavery and overfishing. It is important to recognise sustainability impacts holistically, and appropriately value rare win-win-win outcomes when they occur.

With this in mind, what win-win-wins exist, and how can we capitalise on these opportunities moving forwards?

As mentioned, marine ingredients can be cost-effective, nutrient dense ingredients, and if responsibly sourced, can be sourced with an overall low footprint. Skretting plans to continue to collaborate with MarinTrust and Marine Stewardship Council (MSC) to increase volume of responsibly sourced and produced marine ingredients available to the market. Additionally, we intend to develop closer working relationships with ingredient manufacturers to decrease their scope 1 and 2 emissions associated with their factories, further decreasing the emissions associated with these ingredients.

Similarly, circular by-products from the poultry industry also perform well as cost-effective, low impact ingredients. Priorities here overlap with marine ingredients, including reducing both poultry feed and factory emissions.

These examples outline the importance of developing close relationships with suppliers and stakeholders. Decreasing scope 3 emissions in isolation is a difficult, if not impossible task.

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Skretting Australia's 2023 scope 3 emissions breakdown

Waste & water impacts

Waste

In our 2022 Sustainability Report, we highlighted a concerning trend: a consistent increase in waste production per tonne of feed sold since acquiring our Westbury facility. This rise was primarily due to the substantial volumes of start-up waste generated at Westbury. As production volumes have grown at the site over the past few years, waste output has correspondingly increased.

In 2023, the Westbury maintenance team made a significant breakthrough by repairing a broken maceration pump within the slurry system. This repair was a significant win, enabling the elimination of the majority of start-up waste from Westbury's processes.

Although the project was completed in November 2023, its positive impact on waste reduction is not yet fully reflected in our annual waste Key Performance Indicators (KPIs). However, based on the benefits observed in December 2023 and early 2024, we anticipate more than a 50% reduction in absolute waste production at Westbury. This substantial improvement is expected to lead to an overall reduction of approximately 25% in our total waste production for 2024.

Water

In 2023, Skretting Australia did not prioritize water efficiency improvements in our processes as strongly as we did for other environmental impacts, such as waste and emissions.

Our total water consumption increased across 2023, primarily due to increased consumption by our Cambridge biofilter. The biofilter plays a critical role in our operation and environmental management system. It receives process air, which is high in nutrients and odour, before composting these nutrients within the biofilter, neutralizing any odours. However, insufficient water supply compromises the processes efficacy, posing a risk of potent smells escaping into the surrounding environment and affecting our neighbours.

In response to an elevated incident rate of smell complaints from our immediate neighbours in 2023, we intensified water consumption at our Cambridge biofilter. Our top priority remains resolving this impact completely. Once achieved, we will explore opportunities to further enhance biofilter efficiency.

Landfill waste (excluding hazardous waste) - kg/tonne feed sold

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litre / tonne feed

The impact of El Niño on our supply chain

Peruvian fishery cancellation

Throughout 2023, the global aquaculture industry grappled with strengthening fishmeal and oil prices due to production challenges in Peru. These difficulties directly impacted the availability of fishmeal and oil for export. The combination of reduced supply and growing demand across various sectors threatened to escalate aquaculture production costs until supply levels stabilized.

The decision to cancel the critical first anchovy fishing season was widely regarded as prudent, prioritizing the long-term sustainability of the fishing industry. Raul Perez Reyes, head of Peru's Ministry of Production, emphasized the importance of preserving the fishing resource. He stated during a press conference, "The sea conditions are not conducive for the start of the fishing season. Our priority is to safeguard the fishing resource. Allowing anchovy fishing activity at this time would deplete the resource."

Although fish oil is now used in aquafeeds at much lower levels than in the past, it remains a crucial component in aquafeed production. Fish oil ensures that fish and prawns receive adequate amounts of nutritionally essential Omega-3 fatty acids. While the commendable cancellation of the fishing season aimed to protect the resource, its impact on fish oil prices significantly affected the overall cost of aquafeed production. 2,000 1,500 1,000 500 Dec- 2014

2,500

Monthly price of fish oil since 2014

What is El Niño?

In early 2023, the re-emergence of the El Niño weather phenomenon was observed. Traditionally irregular, El Niño events occur at intervals ranging from 2 to 7 years, with an average frequency of approximately every 5 years. Although El Niño events typically last less than 12 months, their effects can be farreaching and long-lasting. Non El Niño years: El Niño disrupts the normal Peruvian up-welling system. During non-El Niño years, strong trade winds drive warm, nutrient-depleted surface water westward across the tropical Pacific. Consequently, the sea surface becomes approximately 0.5 meters higher and warms by about 8°C in Indonesia compared to Ecuador. Meanwhile, coastal surface water is replaced by deeper water from depths of 200-300 meters—a process known as up-welling.

Despite the disruption, cold upwelling brings nutrient-rich water to the surface. This nutrient infusion supports the proliferation of phytoplankton and zooplankton. These microscopic organisms form the base of the food chain, ultimately sustaining the vast shoals of Peruvian anchovy.

Coastal up-welling systems, like the one off Peru's coast, play a crucial role in marine ecosystems. Remarkably, even though they occupy only 5% of the total ocean area, they contribute a staggering 25% of the global marine fish catch.

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El Niño years:

During an El Niño episode, the typical westward-blowing trade winds weaken, causing warm surface water to shift eastward along the Equator—from the western Pacific to the coast of South America. As this warm water accumulates, it thickens, pushing the thermocline downward by as much as 152 meters. Unfortunately, this thick layer of warm water disrupts the normal up-welling process. Without the nutrientrich cold water up-welling, the productivity of the anchoveta fishery experiences a decline.

The Instituto del Mar del Peru (IMARPE), a specialized technical agency, plays a crucial role in scientific research and the study of Peru's sea and its resources. IMARPE advises the state on decisions related to the prudent utilization of fishery resources and the conservation of the marine environment

The subsequent result of the El Niño episode was a significant reduction in the capacity of the Peruvian Anchovy fishery, with a total landing of 2.77 million tonnes - a catch quoted by IFFO as a 41% year-onyear decrease. This is a staggering decrease a fishery that is typically responsible for 55% of global fishmeal and fish oil production.

Navigating El Niño impacts with raw material and supply chain flexibility

Peruvian fishery cancellation

The reduction in supply of fishmeal and oil from the Peruvian Anchoveta fishery significantly impacted Skretting Australia's procurement strategy. To contextualize the scale of this impact, in 2022, 71% of our purchased fishmeal and 59% of our purchased fish oil originated from the Peruvian anchovy fishery. Skretting Australia faced the challenge of navigating this supply disruption without compromising feed quality or sustainability standards while minimising cost impacts for clients.

Alternative sources of Omega 3

In 2017, Skretting launched a new global competency for salmon called N3. This competency allows specific novel raw materials to be included in feed, reducing or eliminating the need for fish oil, with no impact on fish welfare or final product quality.

However, in the immediate years following the launch of N3, the business case was not strong enough for widespread adoption of this technology as the comparative cost of the new novel raw materials was not competitive with fish oil. During these interim years, we stayed informed about the development of omega-3-containing novel ingredients and conducted local validation trials. However, alternative oils were not procured in significant volumes.

Throughout 2023, due to the abovementioned closure of the Peruvian anchoveta fishery the price of fish oil dramatically increased. For the first time, the utilisation of omega-3-rich algae oils not only offered a unique sustainability story but also presented the opportunity for cost savings for farmers. Following the closure of the first fishing season in Peru, Skretting Australia swiftly decided to purchase algae oil to partially offset our demand for fish oil. Across the year, we sold more than 18,000 tonnes of algae oil-containing feed, decreasing our total fish oil consumption by more than 360 tonnes.

Algae oil dosing CAPEX

In 2023, it became abundantly clear that algae oil was no longer a raw material of the future, and needed to form an important part of our raw material strategy moving forwards. However, due to manufacturing constraints, we were limited to dosing algae oil at a maximum of 1%. This dosing restraint meant that algae oil alone would be insufficient to meet the omega-3 requirements for most species without formulating additional fish oil.

In response to this challenge, Skretting Australia has implemented a new liquid dosing system capable of handling higher dosing rates of algae oil. This significant upgrade provides us with unprecedented raw material flexibility, enabling us to respond more effectively to market disruptions. In future El Niño events we will have the opportunity to provide nutritionally complete, fish oilfree diets to our clients. The new system was commissioned in Q1 2024.

Modified marine sourcing strategy

Despite utilising algae oil to partially offset our demand for fish oil, we still faced a substantial supply gap. As mentioned, 71% of our fishmeal and 59% of our fish oil supply typically originates from Peru - we needed to find new sources of these ingredients. Our challenge was to identify new fisheries as sources of marine ingredients without compromising on strict quality and sustainability standards.

In 2023, we are proud to report that despite sourcing from a significantly broader set of fisheries, we achieved a 90% share of certified marine ingredients—a 3% increase from 2022.*

*Due to a reporting error this KPI was reported as 85% in our 2022 Sustainability Report. Upon revision 87%

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Chapter 3 Performance

Performance: our goals

This chapter is primarily focused on our core competencies: producing nutritional solutions for sustainable farming. In this chapter we cover our achievements in operations and our progress towards ASC Feed Mill certification. Additionally, we dive into two species segments, barramundi and King salmon, outlining our latest nutritional solutions, innovations and developments in these markets.

Our targets

Achieve ASC Feed

Launch our local o

Upgrade and autor increase operation

Launch a premium

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	Our progress
Standard certification	Skretting Australia is on track to achieve c before the end of 2024
perational excellence programme	Skretting Australia's local operational exce programme was successfully launched in
mate our packing system to al efficiencies	Skretting Australia successfully upgraded system in May
n grower diet for barramundi	Skretting successfully launched Cosmos. page 30

A	
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llence May	
our packing	
Read more on	

Maximising production efficiency: upgraded packing system

One of our proudest achievements in 2023 was upgrading the existing packing system at our Cambridge site to a state-of-the-art automated robotics system.

Previously, our packing process required manual intervention from an operator to attach and clamp each bag to a feed chute and to tie each bag shut once full. Our new system automates this entire process, significantly reducing the need for manual handling by our operators.

From an operational perspective, the packing of finished feed has historically been a bottleneck at the Cambridge site, where we have two production lines running through the mill, but only one packing system. While the new packing system does not entirely eliminate this bottleneck, it increases the speed at which bags can be filled, thereby reducing the pressure on operators to keep up with production during peak periods. In short, the new system provides a safer, less manual, and faster solution for packaging our finished feed.

The new system was installed during a five-week operational shutdown in early 2023, alongside critical projects like the encasement of our raw material intake pit, with the shutdown costing over \$7 million AUD. The project's feasibility was significantly enhanced by the production flexibility of our Westbury site, which helped mitigate many of the logistical challenges and risks associated with such an extended shut-down.

This upgrade marks a major advance in our commitment to harnessing cuttingedge technology to boost our production capabilities. By streamlining processes, the new automated system highlights our dedication to innovation and excellence in aquaculture nutrition.

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The new automated packing system at the Cambridge factory, Tasmania

Chasing efficiency through operational excellence

Operational excellence change story

May 2023 marked the commencement of a transformative journey for Skretting Australia with the initiation of our Operational Excellence (OE) programme. This ambitious program represents more than a set of initiatives; it is a cultural shift towards achieving business goals through enhanced operational maturity and competency.

Operational excellence is not confined to the production floor; it is a holistic change that permeates every aspect of the organisation. Every employee, regardless of their function or role, is a stakeholder in this journey. The program was kicked off by central Nutreco Operational Excellence Director, Carl Schubert, via a week-long training program involving a broad range of internal stakeholders, initiating Skretting Australia on a path that promises sustainable, safer, cleaner, and more efficient operations.

The OE program was born out of a recognition of several challenges and opportunities:

• High Operating Costs: A pressing need to optimize expenses without compromising quality.

 Underutilized Assets: Maximizing the potential of existing resources.

 Changing Market Situation: Adapting to dynamic market demands and trends, such as decreasing scope 1 & 2 emissions. Operational excellence is not confined to the production floor; it is a holistic change that permeates every aspect of the organisation.

Members of the Skretting Australia Operational Excellence Team. From left to right: John Mulligan, Nevena Misljenovic, Gene Medlicott, Kade Sacco.

In practice

The second half of 2023 saw the initial steps of the OE program unfold, with a focus on integrating operational excellence into the DNA of Skretting Australia. The journey is ongoing, but the strides made thus far have laid a solid foundation for a future where operational excellence is not just an aspiration, but a reality.

The initial steps taken in the OE process were pivotal to the success of the entire program:

• Bringing Everyone on Board: Ensuring that all team members were aligned with the OE vision.

• Defining the Change Story: Articulating the narrative of transformation and progress.

 Assessing Organizational Maturity: Identifying strengths and pinpointing areas for growth.

 Diagnostic of Top Losses: Analysing and addressing the most significant inefficiencies.

• Planning for 2024: Focusing on overall efficiency and energy efficiency in delivery planning.

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The outcomes of these efforts are already taking shape and are visible through incremental improvements in organisational maturity, streamlined processes, enhanced data utilisation, and performance enhancement. We are well on our way to achieving establishing worldclass operations characterized by predictable performance, waste elimination, and reduced variability.

These initiatives are in lockstep with Skretting Australia's strategic objectives, particularly in achieving market-leading cost efficiency in the production of feeds for our major species. The focus on energy efficiency is not only a testament to our commitment to best practice manufacturing, but also a smaller carbon footprint, which in turn drives our client's scope 3 emissions down. The focus on energy efficiency is important as it gives us cost savings and reduces our carbon footprint. At Skretting Australia, we like to say "every kWh not used costs us nothing but saves us everything." It's a win-win for both Skretting and the environment.

As we move into 2024 our OE program will be the foundation of our manufacturing program, driving us to produce the highest quality feed solutions for our clients while striving to meet our own ambitious target of reducing our scope 1 & 2 emissions by 3% annually.

ASC Feed Standard: a call for collaboration

There is no responsible seafood farming without responsible feed. The ASC Feed Standard represents a pivotal step towards greater sustainability and responsibility in aquaculture. It is Skretting Australia's ambition to be certified to the ASC Feed Standard in Q4

The ASC Feed Standard:

- Requires feed mills to conduct due diligence on key human rights and environmental risks in feed ingredient supply chains, including at the source farm/fishery
- Tackles both illegal and legal deforestation and land conversion risks of all crops used in feed, not just soy and palm oil
- Introduces a unique improvement model to increase the use of certified marine ingredients
- Champions transparency through public reporting

Skretting Australia has the benefit of following in the footsteps of Skretting Chile, who in 2023 was successfully audited against the standard and became one of the first ASC certified feed mills in the world.

One of the clear challenges of implementing the standard is the heightened traceability requirements of ingredients. ASC requires a strict due diligence process to take place across the supply chains, addressing social, legal, and environmental risk factors at the manufacturer and primary raw material level. A successful due diligence process requires unprecedented collaboration across the supply chain to share information necessary to assess risk.

Collaboration is also needed to support the transition to better practices at the fishery and farm level. Fishery Improvement Projects cannot adhere to their timelines – and deforestation/conversion target dates will not be met without feed companies and other supply chain actors working together to provide funding, create market demand and take accountability for delivering on change.

While navigating the ASC Feed Standard presents challenges, it also offers invaluable opportunities for Skretting Australia to drive positive environmental and social change, under the framework of a market demanded standard. The standard represents a real step-up in our compliance and reporting markets, and this impact will be carried across our clients, their vendors, and ultimately consumers.

We firmly believe in the vision of ASC, and invite other members of our value chain to join us on embarking on a new chapter of sustainability compliance. As with all topics in sustainability, very little can be achieved in isolation. We are dependent on collaboration and transparency to drive our industry forwards.

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STANDARD

Industry snapshot: barramundi

Barramundi is a highly regarded fish species with strong ties to its Australian origins. Skretting has long been a part of the local, and now global, industry.

The barramundi industry is the most diverse species segment we produce feeds for, as there is immense geographical and farming diversity present across the industry. Barramundi is almost farmed in every corner of the country and is produced in ponds, raceways, seapens, and recirculation systems.

Despite the differences in the industry, we can all agree that barramundi has immense potential to grow to become an important contributor to the global food system.

The following pages detail a snapshot of the Australian barramundi industry and explore

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Inside the Australian barramundi industry

The Australian barramundi industry is shaped by the unique individuals who work within it. From hatchery technicians to farm managers and feed specialists, these people bring a wealth of experience and dedication to their roles. Their contributions are essential to the success and sustainability of our industry, and their stories offer a glimpse into the diverse expertise that drives our uniquely Australian industry forward.

Jackson Salmon

Hatchery Deputy Manager Time with Mainstream: 7+ years

"As a Hatchery Deputy Manager at Mainstream aquaculture my job includes the husbandry and spawning of barramundi broodstock. The husbandry of Barramundi larvae, which involves the management of live feed cultures such as Rotifers and Artemia. The management of Barramundi fingerlings, including their feeding, stock rotation and grading. Finally, the sale of the Barramundi fingerlings to other farms and businesses all over the world.

The best part about working for Mainstream aquaculture is seeing the stock develop and grow everyday into healthy Barramundi, and receiving the positive feedback from the customers when they receive the final product. I like research and development. This field requires continuous improvement and I try something new every day, therefore I never feel bored and enjoy what I do. I enjoy being able to control how we operate so that we know our fish are sustainably and ethically produced. It is very satisfying being able to supply the industry with a high

quality and sustainable product. I like that my work is both challenging and rewarding and there is so much to learn as we continue to develop and improve."

Jackson Salmon, Mainstream Aquaculture hatchery in Werribee, VIC

Paul Koppe Technical R&D Manager Time with Coral Coast Barramundi: 3.5 years

"Fundamentally, my role can be described as a fish farmer with a few extra responsibilities. My responsibilities span various disciplines including daily operations, research, project management, data analysis, and process optimisation. In addition to managing our on-site research facility, which allows us to benchmark and collaborate with different feed suppliers like Skretting, I also represent our company at the Australian Barramundi Farmers Associations Research Committee. This involvement not only enhances our farm's practices but also contributes to the broader Barramundi farming community.

My role further extends to conducting research across our entire grow-out facilities, where we test methods for optimising production through nutrition, feed management, water management, disease management, or the evaluation of new technology. Given our farm's unique design, standard off-the-shelf technology rarely meets our needs, leading me to either adapt existing technology to our system or develop our own solutions, making the job even more rewarding."

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Having worked with various aquaculture species, both cold and warm water, I find Barramundi the most exiting one yet. Recognized as a resilient and wellestablished species in aquaculture, Barramundi presents an exciting blend of known strengths and unexplored potentials. Working at Coral Coast Barramundi offers a unique opportunity to delve deeper into the intricacies of this species. This role has broadened my understanding of Barramundi and enabled me to develop technology, techniques, and management practices aimed at enhancing production efficiency. The challenges make my work especially rewarding, with constant opportunities to advance the industry.

Paul Koppe at Coral Coast Barramundi, Bowen, QLD.

Inside the Australian barramundi industry

Brad Jones

Research and Development Officer Time with Humpty Doo Barramundi: 3.5 years

"My job entails a range of tasks including planning and executing trials in the specially designed research and development facilities on the farm. This includes designing the trial protocol, liaising with the various stake holders on and off the farm, execution of the trial and data analysis post-trial. As part of this role, I also investigate new and emerging technologies and advancements in aquaculture and how these can be applied to HDB to continue to strive for perfection. I also look inwards to see what current practices can be further optimized for the most efficient production system.

The best part about working at HDB is the "can do" attitude which the farm was based on as well as spectacular NT sunrise and sunsets. The "can do" attitude makes the farm a great place to work as it has allowed myself and others to pursue well thought out ideas that have lead to the success of the farm. This attitude has allowed me personally to develop a far greater appreciation

of the wider aquaculture industry as HDB has always applied the "can do" attitude to potential aquaculture industries."

Brad Jones showcasing a plate of barramundi burgers at Humpty Doo

Cam Adams

Assistant Farm Manager and Dive Lead Time with Marine Produce Australia/ Tassal: 7+ years

"My role as the Lead Diver is to make sure that everyone that gets in and out of the water safely while completing net and infrastructure checks and managing wildlife interactions responsibly. As the Assistant Farm Manager I also work on a day-to-day basis with the farm team to make sure operations run smoothly and coordinated and that everyone knows what role they play.

One of the best parts of working for Tassal is the working conditions and equal rosters, which means more time spent with family which is really important to me. I love where I work, but I also love spending time with family and friends, so I appreciate the balance."

Cam Adams on site at Tassal's barramundi lease at Cone Bay, WA.

Growing demand for barramundi: a climate change resilient species

Global Demand

The FAO predicts that the global demand for finfish will be 205 million tonnes in 2032, and increase of approximately 10 percent from today's production. With humble origins as a native Australian fish, barramundi, or Asian sea-bass as it is sometimes referred, is quickly becoming a globally renowned fish with a significant opportunity to play a role in meeting growing demand for finfish.

Today barramundi is farmed across south east Asian countries including Singapore, Indonesia, Vietnam, Thailand, as well as Israel, the US, Poland, the UK, and of course Australia.

Barramundi has been flagged as a species with great climate change resilience. Unpredictable climatic events such as marine heatwaves, increased rainfall, increased acidification all pose a risk to wild and farmed fish through increased mortalities and disease incidence.

However, barramundi has been shown to be a highly adaptable and resilient fish that can be grown in diverse marine environments. The Australian industry is a great example of this flexibility; barramundi can tolerate salinities from 0ppt to 40ppt, allowing Australian barramundi to be grown in both fresh water pond systems and ocean pens with great success.

Global focus

Globally, Skretting has been watching the development of the global barramundi industry and responding accordingly. Compared to the scale of the global salmon industry, the barramundi industry is still in it's infancy, and with that, the depth of understanding of nutritional requirements of barramundi are less sophisticated than more mature species segments.

Leiner Lache, Skretting Marketing Manager - Marine Species comments, "demand for sustainably grown barramundi is clearly growing - we see immense opportunity to support farmers to decrease their FCR and other key performance and sustainability metrics such as FIFO."

Recognising the growing demand for barramundi, Skretting has been conducting extensive trials to take our understanding of barramundi nutrition to the next level. Between 2020 and 2023 Skretting initiated a new R&D project diving deep into the specific nutritional requirements of barramundi, testing 70 experimental diets across 15 trials at research facilities in China and Australia. This project explored the basis of many fundamental nutritional factors including macro-nutrient optimisation and digestibility, energy requirements, the impact of pellet bulk density, and the requirements of certain micronutrients.

"The outcome of even just one of these trials is highly significant," continues Lache, "the growth in our expertise relating to barramundi nutrition derived from these 15 trials is remarkable! We're looking forward to translating our unique nutritional expertise into tangible value for farmers across the globe."

66 We're looking forward to translating our unique nutritional expertise into tangible value for farmers across the globe. 99

Leiner Lache Skretting Marketing Manager - Marine Species

Skretting Aquaculture Innovation Hezhoubei Research Station in China

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Introducing COSMOS: precise nutrition to maximise your barramundi performance

We feel that, Cosmos is the best performing barramundi feed available on the market today.

- Justin Forrester Coral Coast Barramundi

Jimmy Angelo Balista, Technical Account Manager, Skretting Australia sampling barramundi at Coral Coast Barramundi, Bowen, QLD.

Launched in late 2023, Cosmos is Skretting's new premium grower diet for barramundi. It is aimed at enabling producers of premiumquality barramundi to achieve optimal levels of fish performance and farm efficiency, including higher growth rates at a lower feed conversion levels.

To help them achieve these goals, Cosmos utilises the findings of 15 trials, providing a new formulation that offers optimised and precisely balanced digestible protein, energy, and phosphorous levels.

"These are very exciting times for the barramundi sector and Cosmos is a feed solution that will not only support looking to producers to scale-up their operations costeffectively, it will also help them maximise the value of their fish" says Leiner Lache, Global Marketing Manager – Warm Water Species at Skretting.

"Being a native species to Australia, barramundi holds a special place in our hearts. We take immense pride in introducing a high-premium product, Cosmos, tailored specifically for the barramundi market. The Skretting Australia team has worked in close collaboration with Skretting global R&D Aquaculture Innovation (AI) based in Norway, to pair global R&D competencies with our local excellence to create the best possible product to support barramundi performance in optimal conditions. We are incredibly proud to launch this bespoke diet for this iconic Australian fish," says Pinar Demir Soker, Product Manager – Warm water species at Skretting Australia.

"Our aim with Cosmos is simple yet ambitious—to empower our farmers to unlock the highest potential of their farms through a high-performing diet, ultimately supporting the sustainable development the Australian barramundi industry"

Skretting Skretting Australia has been trialling Cosmos in a commercial environment since 2022 and has seen consistent success in transferring the results from a R&D to on farm validation. One of the early adopters of Cosmos, Coral Coast Barramundi located in far north Queensland, has been impressed with performance of fish fed Cosmos.

Justin Forrester, General Manager – Coral Coast Barramundi and Spring Creek Barramundi comments "we extensively use Cosmos on our farms and are very impressed with the significant improvements to fish performance. It's clear that the research that has gone into Cosmos has taken Skretting's understanding of Barramundi nutrition to the next level. We feel that, Cosmos is the best performing barramundi feed available on the market today."

As with all Skretting diets, the raw materials selected for Cosmos follow strict quality assurance criteria, as determined by the group's global sustainability programme. This ensures only approved feed ingredients and suppliers are used by Skretting companies, with regular audits conducted of these sources.

Industry snapshot: Our history in New Zealand

Our story so far

Being a significant player in the aquaculture industry, Skretting has proudly contributed to New Zealand's aquaculture sector since the 1990s, emphasizing our commitment to sustainable and innovative practices.

Our journey in New Zealand reflects a continuous effort to foster a thriving aquaculture industry through research, growth, and dedication.

Industry leading R&D capabilities

In 2019, we achieved a significant milestone with the commissioning of our finfish research facility at Okiwi Bay. This facility stands out as a trailblazer, leading the way in King Salmon nutrition trials in New Zealand. Given that less than 1% of farmed salmon globally is King Salmon, our work at Okiwi Bay is pivotal in unravelling more about this unique species.

Our commitment to understanding and enhancing the nutrition of King Salmon showcases our dedication to pushing the boundaries of knowledge and driving innovation in the aquaculture sector.

Two locations: Westbury & Invercargill

To fortify our operations and ensure robust supply continuity, we made strategic moves in 2021. The acquisition of a second mill in the north of Tasmania demonstrated our commitment to risk mitigation and provided our clients with increased certainty regarding our capacity to supply.

Concurrently, we expanded our physical presence in New Zealand by opening an office in Invercargill. This strategic location serves as the hub for our technical, supply chain, and commercial functions, emphasizing our commitment to being at the forefront of industry activities.

Our supply chain solution

In 2022, we took another significant step by initiating the implementation of our own supply chain solution. This move aimed to enhance certainty around the trans-Tasman supply chain, reflecting our commitment to operational efficiency and reliability.

Simultaneously, we are exploring raw material opportunities in New Zealand, aligning with our vision to optimize resources and contribute to the sustainable development of the New Zealand industry.

Looking forwards

Our involvement in New Zealand goes beyond the operational aspects. We proudly engage in specific efficiency projects with each of our key clients, collaborating closely to support the best outcomes for our farming partners.

This hands-on approach exemplifies our commitment to building lasting partnerships and contributing to the overall success of the aquaculture community in New Zealand. As we continue to evolve and innovate, our footprint in New Zealand serves as a testament to our dedication to sustainable aquaculture practices and the growth of the industry.

Looking ahead, the next three decades are anticipated to be a period of even greater strides and accomplishments. Our dedication to the NZ aquaculture industry remains resolute as we evolve, innovate, and continue to shape and partner the thriving aquaculture landscape in New Zealand.

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5 years of R&D validation and innovation at Okiwi Bay

What is OBAF?

In 2018, Skretting Australia commissioned a one-of-a-kind research facility, specially designed to support the New Zealand King salmon industry. The Okiwi Bay Aquaculture Facility (OBAF) is a tank system owned and operated exclusively by Skretting. The system operates as a temperature controlled recirculating system, allowing for both summer and winter temperature conditions to be explored precisely throughout the year. The system contains 12 covered trial tanks of 7,000L capacity, allowing fish to grow undisturbed and with accurate measurement of feed intake.

The initial focus of OBAF was to transfer technologies developed by Skretting for Atlantic salmon to King Salmon. This included the validation of lower fishmeal diets, improving our knowledge around the protein requirement of King salmon, and validating the use of higher energy diets. These research priorities were executed on in the early years of the facilities operation, which allowed Skretting to move forward with the development bespoke feed solutions for unique farming challenges faced by our New Zealand clients.

As we look forward into the bright future of the New Zealand aquaculture industry we are now turning our sights on how we can best utilise our local research competencies to drive the sustainable growth of the local industry. One particularly pertinent topic is the development of feed solutions for offshore farming environments, and the unique challenges that this new environment will provide. For example, feed may be required to be transported longer distances in feed pipes compared to a near shore farming operation, requiring feed to be more robust to minimise breakage.

Similarly, the expansion of the industry will also require the industry to continue to strive towards best practice in managing the environmental footprint of the entire farming operation. OBAF will provide a unique value proposition in this area, providing Skretting with the ability to validate feeds with lower carbon footprints, nutrient output, or other environmental impacts such as water use.

These developments are just some of the new research areas that Skretting aims to dive into in the coming years, but this list is by no means extensive.

In 2018, Skretting Australia commissioned a oneof-a-kind research facility, specially designed to support the New Zealand King salmon industry.

Farming in the 21st Century

Aquaculture is undergoing a transformation in the 21st century, driven by innovation and a commitment to sustainability. From advanced data-driven solutions to fostering open dialogue about the future of seafood, Skretting is at the forefront of shaping a more transparent and efficient industry.

Members of the Skretting Australia team on site at the Okiwi Bay Aquaculture Facility with Emily de Sousa.

Elevating aquaculture precision

At Skretting, we have been playing an important role in data driven aquaculture practices by actively promoting the installation of data loggers at two of our key clients in New Zealand. This strategic move showcases our commitment to optimizing the complex balance between fish, feed, and the environment. These cutting-edge probes provide immediate insights into parameters of temperature, dissolved oxygen and salinity providing more data to make informed decisions daily.

The beauty of these real-time tools lies in their accessibility from anywhere, enabling remote monitoring and allowing constant oversight of environmental parameters. This technology enhances the success of both our feed and our clients fish by enabling better interactions for both with the environmental parameters of fish farming. Embracing innovation, Skretting stands as a driving force for positive change in New Zealand's aquaculture sector, supporting our clients in their continuous improvement efforts.

Seaside with Emily

Emily de Sousa is a sustainability expert and advocate for sustainable seafood, focused on promoting transparency and innovation in the industry. Known for bridging the communication gap between consumers and producers through her social media channel, Seaside with Emily, she emphasizes celebrating aquaculture's sustainable practices and championing transparency.

In October, Skretting proudly sponsored Emily's keynote address at the Aquaculture New Zealand conference to bring a fresh perspective into the discussions about seafood.

This collaboration offered a crucial opportunity to convey a reassuring message — that the future of food is blue — with Emily urging the industry to celebrate, rather than conceal, its fantastic seafood stories. Emily passionately advocates for a transformative shift in communication within the aquaculture sector, recognizing its historical shortcomings and emphasizing the need for change. Skretting echoes this sentiment, acknowledging the imperative for transparency, connection and trust to meet the evolving expectations of today's seafood consumers.

Hosting Emily at our Okiwi Bay aquaculture facility added an extra layer to the experience, offering her insights into the exciting research and development initiatives underway. This visit also underscored the significance of our efforts in the broader context of the King Salmon industry.

Artificial Intelligence

Artificial Intelligence (AI) is already transforming aquaculture, offering groundbreaking solutions to optimize farming practices. Technologies like automated feeding systems and real-time water quality monitoring are allowing farmers to minimize feed waste and improve profitability. Aquaculture technology companies are already introducing AI solutions that use advanced sensors and data analytics to optimize operations by ensuring that feed is dispensed based on real-time fish behaviour and environmental conditions, improving precision and reducing waste.

At Skretting, we are committed to working closely with the industry to fully unlock the potential of Al. By leveraging Al-driven innovations, we will continue to support farmers in improving disease prediction, optimizing water quality, and enhancing the overall sustainability of their operations. Through these efforts, we aim to push the boundaries of what's possible in aquaculture, ensuring continuous improvement and delivering value for our partners.

Chapter 4 Ingredient deep dive

Finding the most responsibly sourced and cost-efficient raw materials

The production of fish and shrimp feed is very complex, with strict criteria regulating the physical quality of the pellets, and sophisticated equipment needed to process the feed. One of the biggest cost drivers in feed production is raw material procurement. For this reason, we devote a lot of our research to increasing raw material flexibility and functionality. We produce more than 110 thousand tonnes of feed each year, which means that even small improvements in product technology can add up to big improvements in quality, efficiency and sustainability.

Our targets

Source 100% of marine in audited and certified by M

All purchased soy will be c

Ensure that by 2022, all ag products are traced back t they were cultivated, to use for foot-printing requirement

5-10% of feed ingredients alternative novel sources

Ensure all ingredients are 10 with the ASC due diligence

C C C C C C C C C C C C C C C C C C C	Our progress
gredients from sources arinTrust or MSC	90% Despite market disruptions in Peru, Skretting Australia made significant strides towards our 100 target.
deforestation-free by 2025	100% of soy purchases were classified as class A soy sourcing policy.
gricultural vegetable to the country where e in a risk filter and ents	We have traceability for our vegetable ingredients the country where they are cultivated. We have no implemented a risk filter for foot-printing requirem
come from	0.15% We saw a significant increase in our consu of algal oil in 2023 but we are still a long way from ambition
00% compliant process	We are currently in the process of updating our doc and systems to support compliance to the ASC due diligence process. Read more on page 29

%		
in our		
to t yet ents		
nption our		
uments		

Responsible sourcing of raw materials

Aquaculture feed comprises various ingredients sourced from vegetables, marine, and land animals. Common agricultural crops include wheat, canola, and soy while marine ingredients often come from wild fisheries such as sardine, anchovy, and herring. Land animal products, such as by-products from the poultry industry are also used. To ensure the feed is nutritionally complete, essential vitamins and minerals are incorporated, supporting the overall health and growth of aquaculture species.

These primary production processes can pose sustainability challenges. Irresponsible cultivation of crops may lead to deforestation, habitat loss, excessive water use, and soil erosion. Similarly, wild-capture fisheries must be responsibly managed to prevent overfishing and the unintended catch of protected or endangered species. Land animal production must also be managed responsibly to avoid negative environmental and social impacts associated with agricultural processes. All ingredients have the potential to provide important nutrients to aquafeeds, and no ingredient is inherently good or bad—responsible sourcing is key.

Primary raw materials are processed into various products, including those used as ingredients in aquafeed. For instance, wheat becomes wheat flour and gluten, soy transforms into soybean meal, 40 4 - Ingredients

Π

concentrate, and oil, and fish or fish by-products turn into fishmeal and fish oil. These processed forms are manufactured into feed ingredients, and each stage has its sustainability issues. The manufacturing process must avoid environmental pollution, such as harmful emissions or water effluents. Additionally, sustainability encompasses social factors, ensuring that factories are safe workplaces that respect human and labour rights.

Skretting Australia employs a systematic evaluation system to assess the sustainability risks associated with the primary sources and manufacturers of feed ingredients. Our <u>Supplier Code of</u> Conduct facilitates engagement with suppliers on material issues related to their operations and sets minimum criteria for environmental, social, and legal aspects. As we implement the requirements of the ASC Feed Standard (page 26) our due diligence of primary raw materials and manufacturers is extending to an even higher standard.

The following pages detail the average composition of our aquafeeds across 2023, and detail the primary country of cultivation/ origin for our ingredients.

Overview of ingredients in Skretting Australia feeds in 2023

Ingredient group	Ingredient	Average inclusion	Primary raw material	Countries of primary production or cultivation
Marine protein	Fishmeal from whole fish	10.0%	Whole fish	See page 43
	Fishmeal from trimmings	3.9%	Whole fish	See page 44
Vegetable protein	Wheat gluten meal	10.2%	Wheat	Australia
	De-hulled faba bean	9.3%	Faba bean	Australia
	Canola meal	1.4%	Canola	Australia
	Soy protein concentrate	1.2%	Soy beans	Brazil
	Soy bean meal	0.7%	Soy beans	USA
Animal protein	Poultry meal	14.7%	Chicken	Australia
	Feather meal	5.2%	Chicken	Australia
	Blood meal	1.2%	Cow	Australia
Marine oil	Fish oil from whole fish	7.6%	Whole fish	See page 43
	Fish oil from trimmings	0.2%	Whole fish	See page 44
	Micro algal oil	0.2%	Algae	USA
Vegetable oil	Canola oil	10.0%	Canola	Australia
Animal oil	Poultry oil	7.5%	Chicken	Australia
Carbohydrate	Wheat	9.3%	Wheat	Australia
	De-hulled lupins	2.7%	Lupin	Australia
Micro ingredients		4.7%	n/a	n/a
TOTAL		100.0%		

Skretting Impact Report – 2023

Progress on our Marine Ingredients Responsible Sourcing Policy

In 2023, 90% of our marine ingredients originated from MarinTrust programme, Marine Stewardship Council certification, or in a fishery improvement programme.

To protect the ocean and ensuring that fish stocks caught for direct or indirect human consumption are fished within clearly defined, sustainable limits, Nutreco and Skretting published in 2022 a Marine Ingredients Responsible Sourcing Policy.

In line with our RoadMap 2025, we strive to ensure that our marine feed ingredients come from responsibly produced sources and that all the fishmeal and fish oil that we use originates from fisheries that are managed according to the FAO Code of Conduct for Responsible Fisheries. In practical terms, we have defined different sustainability classes for the main groups of marine ingredients (whole fish, by-products from wild fish and by-products from aquaculture).

The following pages detail our marine ingredient purchases for 2023, stating the species, origin, certification status, IUCN classification, and rating in our marine sourcing policy.

Marine Stewardship Council (MSC)

The Marine Stewardship Council (MSC) is an international organization that sets rigorous standards for sustainable fishing. Fisheries that earn MSC certification have been independently assessed to ensure they maintain fish populations at healthy levels, minimize environmental impacts, and comply with relevant laws. This certification helps protect marine ecosystems by promoting responsible fishing practices that prevent overfishing and support long-term ocean health. MSC certified marine ingredients are classified as Class A+ in our sourcing policy.

MarinTrust

MarinTrust, formerly known as the International Fishmeal and Fish Oil Organisation (IFFO RS), provides a certification program that ensures fishmeal and fish oil are produced sustainably and responsibly. The MarinTrust standard covers the entire production process, from sourcing raw materials to manufacturing practices, emphasizing environmental stewardship and traceability. Products bearing the MarinTrust certification are recognized for meeting high standards of sustainability, contributing to the responsible use of marine resources. MarinTrust certified marine ingredients are classified as Class A in our sourcing policy.

Fishery Improvement Projects (FIPs)

Fishery Improvement Projects (FIPs) are multi-stakeholder initiatives designed to help fisheries improve their environmental performance to meet sustainability standards. These projects involve collaboration between fishers, industry stakeholders, to address specific challenges within a fishery, such as overfishing or by-catch. FIPs work towards achieving certification, driving positive change in fishing practices and contributing to the longterm health of marine ecosystems. Marine ingredients sourced from a FIP are classified as Class A or A- in our sourcing policy.

IUCN Red List

The International Union for Conservation of Nature (IUCN) Red List is the world's most comprehensive inventory of the global conservation status of species. It assesses species risk of extinction, categorizing them as Least Concern, Near Threatened, Vulnerable, Endangered, Critically Endangered, Extinct in the Wild, or Extinct. This list is a crucial tool for guiding conservation and informing responsible sourcing decisions, ensuring that industries do not contribute to the decline of threatened species. Trimmings materials not listed as endangered or critically endangered in the IUCN redlist classified as A- in our sourcing policy.

Progress against our Marine Ingredients Responsible Sourcing Policy compared to 2025 target

Marine ingredient type

Sustainability class A+ and

Sustainability class A-

Sustainability class B

Sustainability class C

	2025 Target	2023 Total		
		Fishmeal	Fish oil	Total
A	Minimum 85%	89%	89%	88%
	Maximum 15%	7%	9%	3%
		4%	2%	9%

Overview of origin of marine ingredients from whole fish							Skretting Impact Report – 2023
Country of Origin	Species	Latin name	Certificate	Fishmeal	Fish oil	IUCN Class	Marine Sourcing Policy Class
Antarctica	Krill	Euphausia superba	MSC	3.7%		Least Concern	A+
Australia	Blue mackerel	Scomber australasiucus	MSC	1.8%	2.1%	Data deficient	A+
	Jackmackerel	Trachurus declivis	MSC	1.5%	1.4%	Data deficient	A+
	Red bait	Emmelichthys nitidus	MSC	0.3%	0.3%	Data deficient	A+
Chile	Peruvian anchovy	Engraulis ringens	MarinTrust	5.2%	5.0%	Least Concern	Α
	Araucanian herring	Strangomera bentincki	MarinTrust		4.5%	Least Concern	Α
	Chub mackerel	Scomber japonicus	MarinTrust		0.4%	Least Concern	Α
	Jackmackerel	Trachurus murphyi	MarinTrust		3.1%	Data deficient	Α
	Mote sculpin	Normanichthys crockeri	MarinTrust		0.3%	Data deficient	Α
	Other	n/a	MarinTrust	0.4%	0.1%	n/a	Α
Denmark	Blue whiting	Micromesistius poutassou	MarinTrust	3.4%	1.0%	Least Concern	Α
			MT FIP	9.0%		Least Concern	A-
	Boarfish	Capros aper	MarinTrust	1.4%	0.6%	Least Concern	Α
	European pilchard	Sardina pilchardus	MarinTrust		1.0%	Least Concern	Α
	Herring	Clupea harengus	MarinTrust	0.1%	1.0%	Least Concern	Α
	Norway pout	Prionotus carolinus	MSC	0.7%		Least Concern	A+
			MarinTrust		1.0%	Least Concern	Α
	Sandeel	Ammodytes tobianus	MarinTrust	1.5%		Data deficient	A
	Sprat	Sprattus sprattus	MarinTrust	1.5%	2.8%	Least Concern	A
India	Mackerel	Rastrelliger kanagurta	MarinTrust		8.7%	Least Concern	A
			MT FIP		2.4%	Least Concern	A-
	Sardine	Sardinella longiceps	None	1.8%	7.6%	Least Concern	C**
			MarinTrust		18.5%	Least Concern	Α
			MarinTrust FIP		11.0%	Least Concern	A-
Mexico	Northern anchovy	Engraulis mordax	MSC	1.0%		Least Concern	A+
	Mackerel	Scomber japonicus	MSC	0.9%		Least Concern	A+
	Pacific thread herring	Ophistonema libertate	MarinTrust	8.1%		Least Concern	Α
	Sardine	Sardinops sagax	MSC	1.1%	6.7%	Least Concern	A+
Panama	Herring	Odontognathus panamensis	MarinTrust		0.1%	Least Concern	Α
	Pacific anchoveta	Cetengraulis mysticetus	MarinTrust		0.6%	Least Concern	Α
Peru	Peruvian anchoveta	Engraulis ringens	MarinTrust	27.2%	15.4%	Least Concern	Α
South Africa	South african anchovy	Engraulis capensis	MarinTrust	0.9%	0.4%	Least Concern	Α
			None		1.2%	n/a	C**
	Hake	Merluccius capensis	MSC	1.8%		Least Concern	A+
	Sardine	Sardinops sagax	MarinTrust		0.1%	Least Concern	Α
TOTAL				73.9%	97.0%		

Overview of	<u>origin of marine i</u>	ngredients from wh	nole fish				Skretting Impact Report – 2023
Country of Origin	Species	Latin name	Certificate	Fishmeal	Fish oil	IUCN Class	Marine Sourcing Policy Class
Antarctica	Krill	Euphausia superba	MSC	3.7%		Least Concern	A+
Australia	Blue mackerel	Scomber australasiucus	MSC	1.8%	2.1%	Data deficient	A+
	Jackmackerel	Trachurus declivis	MSC	1.5%	1.4%	Data deficient	A+
	Red bait	Emmelichthys nitidus	MSC	0.3%	0.3%	Data deficient	A+
Chile	Peruvian anchovy	Engraulis ringens	MarinTrust	5.2%	5.0%	Least Concern	Α
	Araucanian herring	Strangomera bentincki	MarinTrust		4.5%	Least Concern	Α
	Chub mackerel	Scomber japonicus	MarinTrust		0.4%	Least Concern	A
	Jackmackerel	Trachurus murphyi	MarinTrust		3.1%	Data deficient	Α
	Mote sculpin	Normanichthys crockeri	MarinTrust		0.3%	Data deficient	Α
	Other	n/a	MarinTrust	0.4%	0.1%	n/a	A
Denmark	Blue whiting	Micromesistius poutassou	MarinTrust	3.4%	1.0%	Least Concern	Α
			MT FIP	9.0%		Least Concern	A-
	Boarfish	Capros aper	MarinTrust	1.4%	0.6%	Least Concern	A
	European pilchard	Sardina pilchardus	MarinTrust		1.0%	Least Concern	A
	Herring	Clupea harengus	MarinTrust	0.1%	1.0%	Least Concern	A
	Norway pout	Prionotus carolinus	MSC	0.7%		Least Concern	A+
			MarinTrust		1.0%	Least Concern	Α
	Sandeel	Ammodytes tobianus	MarinTrust	1.5%		Data deficient	A
	Sprat	Sprattus sprattus	MarinTrust	1.5%	2.8%	Least Concern	Α
India	Mackerel	Rastrelliger kanagurta	MarinTrust		8.7%	Least Concern	Α
			MT FIP		2.4%	Least Concern	A-
	Sardine	Sardinella longiceps	None	1.8%	7.6%	Least Concern	C**
			MarinTrust		18.5%	Least Concern	Α
			MarinTrust FIP		11.0%	Least Concern	A-
Mexico	Northern anchovy	Engraulis mordax	MSC	1.0%		Least Concern	A+
	Mackerel	Scomber japonicus	MSC	0.9%		Least Concern	A+
	Pacific thread herring	Ophistonema libertate	MarinTrust	8.1%		Least Concern	A
	Sardine	Sardinops sagax	MSC	1.1%	6.7%	Least Concern	A+
Panama	Herring	Odontognathus panamensis	MarinTrust		0.1%	Least Concern	Α
	Pacific anchoveta	Cetengraulis mysticetus	MarinTrust		0.6%	Least Concern	Α
Peru	Peruvian anchoveta	Engraulis ringens	MarinTrust	27.2%	15.4%	Least Concern	A
South Africa	South african anchovy	Engraulis capensis	MarinTrust	0.9%	0.4%	Least Concern	Α
			None		1.2%	n/a	C**
	Hake	Merluccius capensis	MSC	1.8%		Least Concern	A+
	Sardine	Sardinops sagax	MarinTrust		0.1%	Least Concern	A
TOTAL				73.9%	97.0%		

*A species is classified as Data Deficient when there is insufficient information available to make a direct or indirect assessment of its risk of extinction. All data deficient species are from a MarinTrust or MSC certified factory/fishery, warranting that the fishing stock is deemed as sustainably managed.

**Class C purchases are not compliant with our sourcing policy.

Overview of origin of marine ingredients from trimmings

Country of Origin	Species	Latin name	Certificate	Fishmeal	Fish oil	IUCN Class	Marine Sourcing Policy Class
American Samoa	Albacore tuna	Thunnus alalunga	MSC	4.7%		Least Concern	A+
	Skipjack tuna	Katsuwonus pelamis	MSC	11.0%		Least Concern	A+
	Yellowfin tuna	Thunnus albacares	MSC	1.5%		Least Concern	A+
Denmark	Boarfish	Capros aper	MarinTrust	0.1%		Least Concern	Α
	Cod	Gadus morhua	MarinTrust		0.2%	Vulnerable*	Α
	Atlantic herring	Clupea harengus	MarinTrust	0.4%	0.5%	Least Concern	Α
	Atlantic mackerel	Scomber scombrus	None	0.1%		Least Concern	A-
	Other	n/a	None		1.0%	Least Concern	A-
	Sprat	Sprattus sprattus	MarinTrust	0.1%	1.3%	Least Concern	Α
Mauritius	Albacore tuna	Thunnus alalunga	MSC	0.7%		Least Concern	A+
	Yellowfin tuna	Thunnus albacares	MarinTrust	0.3%		Least Concern	Α
	Skipjack tuna	Katsuwonus pelamis	MSC	3.2%		Least Concern	A+
	Bigeye tuna	Thunnus obesus	MSC	0.5%		Vulnerable**	A+
New Zealand	Hake	Merluccius australis	MSC	0.1%		Least Concern	A+
	Hoki	Macruronus novaezelandiae	MSC	1.3%		Least Concern	A+
	New Zealand ling	Genypterus blacodes	MSC	0.2%		Least Concern	A+
	Silver warehou	Seriolella punctata	MSC	<0.1%		Least Concern	A+
South Africa	Hake	Merluccius capensis	MSC	1.8%		Least Concern	A+
TOTAL				26.1%	3.0%		

*Cod from ICES areas 3.c.22-24 is closely monitored through regular stock assessments conducted by the International Council for the Exploration of the Sea (ICES). The stock is managed under the EU Common Fisheries Policy, which includes measures to maintain the stock within biologically sustainable levels. As a result, cod from these areas is classified as class A on our marine sourcing policy.

**Bigeye tuna is classified as "vulnerable" on the IUCN redlist. However, regular stock assessments are conducted by the IOTC secretariat, with the stock biomass currently being considered to be above maximum sustainable yield. For these reasons Bigeye tuna from FAO areas 51 & 57 are assessed as class A+ on our marine sourcing policy.

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Chapter 5 About us

About Skretting Australia

The vision that inspires us

Together with our customers, suppliers and partners, we lead innovation to ensure access to more sustainable, healthier and safer seafood for the world's growing population.

Our purpose

Feeding the Future continues to be a meaningful purpose for us at Skretting. We hope that you see why after reading this report!

The values we live by

We updated our company-wide values in 2022. The new values of trust, inclusivity, curiosity, integrity and passion reflect our purpose of Feeding the Future and underpin our fundamental beliefs and the guiding principles of how we do business.

Our people

The collective experience, knowledge and talents of our people have helped us achieve considerable success while also progressing the aquaculture industry on a local and international scale. We strive to be the company where the best people in the industry want to work. We are an equal opportunity employer; people are considered for all roles without regard to race, colour, religious creed, gender identity, nationality, citizenship status, age, physical or mental disability, sexual orientation, marital, parental or military status, or any other status.

Passion Inclusivity Integrity Trust Curiosity

Our operations & market

		Name	Owner	Scale	Period
		Gibson's Ltd trading as Skretting Australia	Part of Nutreco, privately owned by SHV holdings	>117,000 metric tonnes	Reporting January 1 - December 31 2023
	1	2	3	4	5
	Cambridge	Westbury	Proserpine	Invercargill	Okiwi Bay
	Head office & production site	Production site	Administration and technical services office	Administration and technical services office	R&D validation station
on	17% King salmon	9% Giant tiger prawn	9% Barramundi	4% Yellowtail kingfish	1% Rainbow trout

Certifications

- ISO 9001 (quality management system)
 ISO 14001(environmental management system)
 ISO 45001 (OHS management system)
 HACCP
- Best Aquaculture Practices (BAP) Feed Mill
 Global G.A.P CFM
- FeedSafe

Memberships

- Australian Barramundi Farmers Association
- Australian Prawn Farmers Association
- Australian Renderers Association
- Chartered Accountants Australia and New Zealand
- Experimental Aquaculture Facility Advisory Committee
 New Zealand Salmon Farmers Association
- Stockfeed Manufacturer's Association
- Seafood Industry Australia
 Tasmanian Farmed Salmon Alliance

Our certifications

Skretting Australia has maintained the following standards throughout 2023

BAP

Best Aquaculture Practices (BAP) Feed Mill Certification ensures that feed mills adhere to stringent environmental and social standards.

This certification covers food safety, environmental responsibility, animal welfare, and social accountability. It guarantees that the feed used in aquaculture operations is produced sustainably, with minimal environmental impact and adherence to high standards of worker welfare.

ISO 45001

ISO 45001 is an international standard for occupational health and safety management systems. It focuses on preventing work-related injuries and illnesses by promoting a safe and healthy work environment.

This demonstrates a commitment to maintaining the highest levels of workplace safety and health, reducing the risk of incidents, and enhancing employee wellbeing.

ISO 9001

ISO 9001 is a globally recognized standard for quality management systems. It outlines criteria for a quality management system focused on meeting customer requirements, enhancing customer satisfaction, and continuous improvement.

This ensures consistent quality in products and services, backed by a robust framework for managing and improving quality processes.

ISO 14001

ISO 14001 is an international standard for environmental management systems. It provides a framework for organizations to manage their environmental responsibilities effectively, including reducing waste and energy consumption.

This reflects a strong commitment to environmental stewardship and sustainability, ensuring environmentally friendly practices and continuous improvement in environmental performance.

HACCP

Hazard Analysis Critical Control Point (HACCP) is a systematic approach to food safety that identifies, evaluates, and controls hazards throughout the food production process.

This guarantees that potential food safety hazards are identified and mitigated, ensuring the highest standards of food safety and quality.

Global G.A.P

Global G.A.P. Compound Feed Manufacturing Certification ensures that compound feed is produced according to rigorous food safety, environmental, and animal welfare standards.

This confirms that the feed meets high safety and sustainability criteria, supporting responsible

FeedSafe

Feed Safe Certification is a standard developed by the feed industry to ensure feed safety and quality. It covers the entire feed production process, from ingredient sourcing to manufacturing practices.

This ensures that feed is produced under stringent safety and quality controls, reducing the risk of contamination and ensuring the health and safety of livestock and aquaculture species.

Skretting Australia Impact Report

