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29 November 2019
 Mr Stuart Wright
 Inquiry Secretary
 Parliament House
 HOBART 7000
 Email: finfish@parliament.tas.gov.au

Dear Mr Wright,

**TASSAL SUBMISSION TO THE LEGISLATIVE COUNCIL SESSIONAL COMMITTEE
 GOVERNMENT ADMINISTRATION A - FIN FISH FARMING IN TASMANIA INQUIRY**

We welcome the opportunity to contribute a frontline perspective to the Legislative Council Inquiry in the planning, assessment, operation and regulation of finfish farming in Tasmania.

As an organisation we value transparency. We pride ourselves on owning all aspects of this including our shareholder expectation of financial prosperity.

We acknowledge that this prosperity must be underpinned by a sustainable business model that meets shareholder expectations and returns.

Tassal, our people and the whole Tasmanian salmon industry are united behind sustainable development while caring for the environment and communities within which we are embedded. We hold the view that healthy functioning waterways are critical ingredients for both our and Tasmania's economic and social prosperity.

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For us to continue our investments in the salmon industry, our people, the regional communities in which we operate, and in Tasmania, we must all work towards ensuring that the salmon industry is financially viable. We cannot continue to invest without ensuring the industry can generate appropriate and sustainable financial returns.

We acknowledge that a few are confronted by this and attempt to shame, discredit or call out our company and our people. However, it is this very prosperity that affords us the privilege of the ongoing support and investment from our shareholders, which in turn enables us to support our people, the environment, and communities in which we operate and the state.

The ongoing sustainability of this model is intrinsically linked to healthy regulatory frameworks, environmental conditions and supportive communities. We are mutually bound together to achieve this, both now and into the future.

We also understand that strong Tasmanian communities rely on sustainable and responsible industries. We know Tasmanians enjoy living in a clean and unique part of the world, that the stability in jobs in regional communities are important and that Australians can't get enough of our nutritious salmon, and we want to be a part of that now and for future generations to come. We want younger Tasmanians to have the opportunity to aspire to having life choice opportunities moulded across professional career pathways and the "uniquely Tasmanian" lifestyle.

Globally, with increasing pressures on our planet, access to arable land restrictive and wild fisheries plateauing from protecting vulnerable stocks, a key aspect to the future of the world's food supply is aquaculture. Our industry is a solution to addressing increased demand for a more sustainable, nutritious and efficient sources of protein.

We are dedicated to a responsible industry, a path that will continue as the sector further evolves to meet the growing need for healthy and sustainable protein sources and as opportunities arise to grow fish in new areas.

Tassal is committed to bringing long term, economic and social benefits to regional areas and has a proven track record of doing this.

Our people work in the Tasmanian waterways, land-based facilities and Tasmanian processing plants across broad geographic regions and are well placed to respond to new investments in Tasmania's food and agribusiness sectors.

We know the health of all Tasmanian waterways reflects historic and current marine and land-based influences from both natural and human sources in a changing environment and a changing climate. We have inherited a 'lived marine and aquatic environment'. Areas that are touched by fishing, shipping, introduced marine pest species, pastoral activities, logging, mining and Hydro water management.

The industry acknowledges that salmon aquaculture, in line with all types of farming and human activity, can influence the shared waterways where we farm. We are currently working within a highly regulated environment by global and comparative standards and do so with pride and passion, while always maintaining a focus on how we can further enhance our farming and processing practises to further reduce any impacts.

Like any farmer and primary producer, it is in our interest to ensure we farm sustainably and minimise impacts to the environment. Sustainable farming practices allow us to continue to farm and thus ensure financial and operational viability.

Through our commitment to minimising impacts to the environment, an environment on which our companies rely so heavily on, we are ensuring it remains sustainable for Tasmanians of today and the future generations to come. We believe that we have a sustainable impact on the environment.

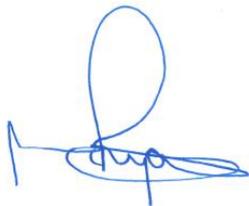
We are proud of our Tasmanian salmon product lines; loyal to our people; aware of our shareholders expectations; committed to our footprint across regional Tasmania and driven to continue our investments in world leading technology and infrastructure.

Salmon farming plays a unique role in Tasmania. It is both a major economic driver and the lifeblood of many regional and rural communities. It is also an industry underpinned by innovative and resilient people operating in an increasingly complex and challenging environment. We have shown time and time again that we take on these challenges with positivity and determination.

We ask that you listen, hear our stories, visit our sites, celebrate our achievements and resist reactive reform that is counterproductive and not in the spirit of support for a proudly Tasmanian industry and frontline workforce.

Our participation in this inquiry aims to provide an insight into our workplace and share the stories of our people as they work on the frontline of Tasmania's salmon industry.

We welcome the opportunity to further elaborate on our positions, experiences, observations, concerns and aspirations during the public hearing stage of this Inquiry.

A handwritten signature in blue ink, appearing to read 'Mark Ryan', with a large loop at the top and a horizontal stroke at the bottom.

Mark Ryan

Managing Director & Chief Executive Officer



TASSAL GROUP SUBMISSION
LEGISLATIVE COUNCIL
FINFISH FARMING INQUIRY

NOVEMBER 2019



We are farmers

As farmers and producers, we take pride in not only what we produce but how we produce it.

Tassal and our people are committed to providing Australians with responsibly sourced Tasmanian grown Atlantic salmon.

Tassal operates marine farms in Tasmania within defined farming areas, known as Channel, Southern, Eastern and Western Zones. In total, our lease areas comprise 975 ha available for salmonid farming, of which, our pens occupy less than 40 ha of surface area. For perspective, Tasmanian waters are 2,235,700 ha in total.

Like other farmers across Australia, we are facing a time where Australians report to be increasingly disconnected with how their food and fibre is produced. While they are overwhelmingly supportive of our farmers – they would like to know more about-why we do what we do.

We are proud of our farmers, our farms, our producers, our engineers, our scientists, our environmental experts and the many others who make up the Tassal team and we welcome this opportunity to share their stories.

As on land where you see some paddocks with stock and some empty, farming in the sea is no different. Under an adaptive management framework for making the best decisions on farm management practices, we continually rotate our stock among all available pen bays within each farm (i.e. not all available pen bays are stocked with fish at any point in time). Like all responsible farmers this “active fallowing” regime plays an important part in our sustainable management approach across our leases.

To better tell our story and show where we fit in with world’s best practice, independent certifications have been established by global third-parties for the aquaculture industry and for companies to benchmark their practices against.

It is important to us that our actions and processes are certified by independent third-party providers. There are a range of global third-party certification bodies that monitor marine health and the environment in which we operate such as Aquaculture Stewardship Council (ASC) and Best Aquaculture Practice (BAP).

These aren’t Australian standards, they are global best practice. Our sustainability journey, partnerships with environmental organisations, such as WWF Australia, have also been pivotal towards leading sustainable aquaculture production.

All our harvested salmon have been independently assessed and certified by a global third-party organisation so our consumers can be confident the Tassal Salmon they are eating has been grown by an environmentally and socially responsible company.

Tassal remains committed to continuous improvement in sustainability and delivering best practice environmentally-responsible outcomes. Our people are invested in the wellbeing and welfare of our animals. We are supported by a robust animal health and welfare team which includes two veterinarians on staff.

We seek to ensure our animals’ health and welfare by using appropriate nutritional feeds, management of population sizes and densities, the use of best practice husbandry methods and providing protection from predators. In addition, we vaccinate our fish, conduct routine monitoring of health indicators and use appropriate treatments where necessary.

Farming is first and foremost about feeding a growing population. We are invested, having engaged with our customers for over 30 years and given them a transparent insight into the way we farm, produce and meet their changing expectations. Globally, with demand for protein increasing, sustainable aquaculture and responsible sourcing of seafood will provide the means to meet this demand, while also reducing pressure on wild capture fisheries.

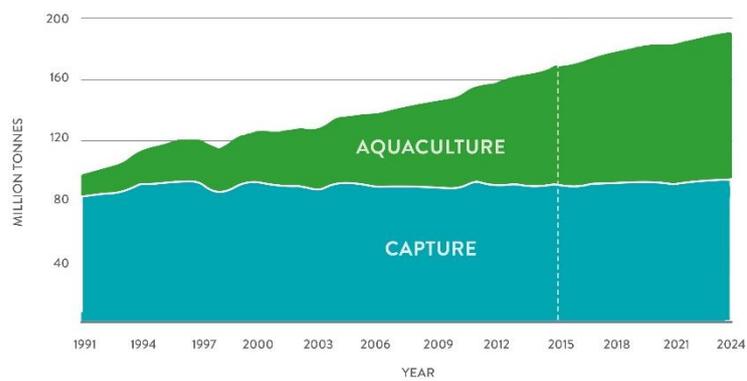


Figure 1. Global trends.

Aquaculture is one of the most efficient forms of protein production with a low carbon footprint. We know that Tasmanian salmon is one of the best sources of Omega-3.

At the heart of our company, we are farmers, producers and people that are committed to supporting responsible farming and protein production.

CONTRIBUTES TO TERMS OF REFERENCE 1, 2 & 3

FURTHER INFORMATION CAN BE FOUND AT:

- Tassal Sustainability Reports
- Tassal Annual Report
- Tassal Sustainability Dashboard (routine disclosure)
- FRDC Reports
- TSGA Website: Salmon Facts

We are part of regional Tasmanian towns

Since 1984, our industry has become one of Tasmania's brightest economic prospects, generating employment and supporting local Tasmanian communities, while producing a product that is contributing to the global sustainable food platform. Our industry continues to play a major role in the many diverse and special regional communities across our state.

Our farming sector helps drive rural economic diversification by directly and indirectly creating jobs, further supporting small businesses and stimulating ongoing innovation and research in Tasmanian regional areas.

Our responsible farming represents a promising approach to help revitalise these regional communities and fill the gap left by traditional industries no longer serviced in Tasmania.

We want to continue to be involved in creating vibrant communities that supports jobs and reverses the trend of young people leaving rural areas to work and live in larger urban centres or even interstate.

A quality job is more than a pay cheque, it's the foundation stone for a family and community. Aquaculture jobs are secure, and most jobs are permanent. Our combined industry alone provides more than ~11,500 Tasmanian direct and indirect jobs.

As part of this, we are one of the largest employers in Tasmania. Tassal employs around 1,200 Tasmanians and support a further 6,000 FTE jobs in both Tasmania and across the nation.

As well as employing a growing number of Tasmanians, our industry has a strong record of encouraging training and skills development, creating career pathways to attract and retain staff, especially in regional communities.

Our workforce is now more professional, capable and diverse in nature than ever before – we have come a long way since the first commercial harvest of 55 tonnes of Atlantic salmon in 1986.

The industry's annual economic contribution to the Tasmanian economy is over \$1 billion and this will grow substantially if we are to meet the joint industry and Tasmanian Government's target of growing the value of the industry to \$2 billion by 2030. Demand for seafood protein is expected to more than double over the next 15 years.

The wages of those employed as a direct result of our industry or supporting sectors drive local businesses, creating further employment in other industries. They also underpin the viability of communities including services such as schools and medical facilities.

Like all businesses, the staffing profile of our workforce (across farming, production, marketing, corporate affairs and support services) is a function of many factors including total biomass, access to grow zones, market forces, innovation, government directions and policy.

While we are producing a high-demand product, we function on a local scale in the communities where we operate and where our people live. Supporting community and workforce resilience underpins our business decisions and our advocacy to government on growth opportunities.

Our commitment to balanced, responsible and sustainable growth of our operations will always be important to us, our shareholders and the communities in which we operate.

We remain well positioned to expand our salmon operations when the Tasmanian Government's roadmap to grow the salmon farming sector is clearly articulated and then appropriately supported.

As we adjust our operations to meet government and community expectations and shift into high energy waters, and future proof the industry through boosted biosecurity programs, we will also remain focused on optimising our current areas of operation.

CONTRIBUTES TO TERMS OF REFERENCE 1 & 3

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Tassal Annual Report

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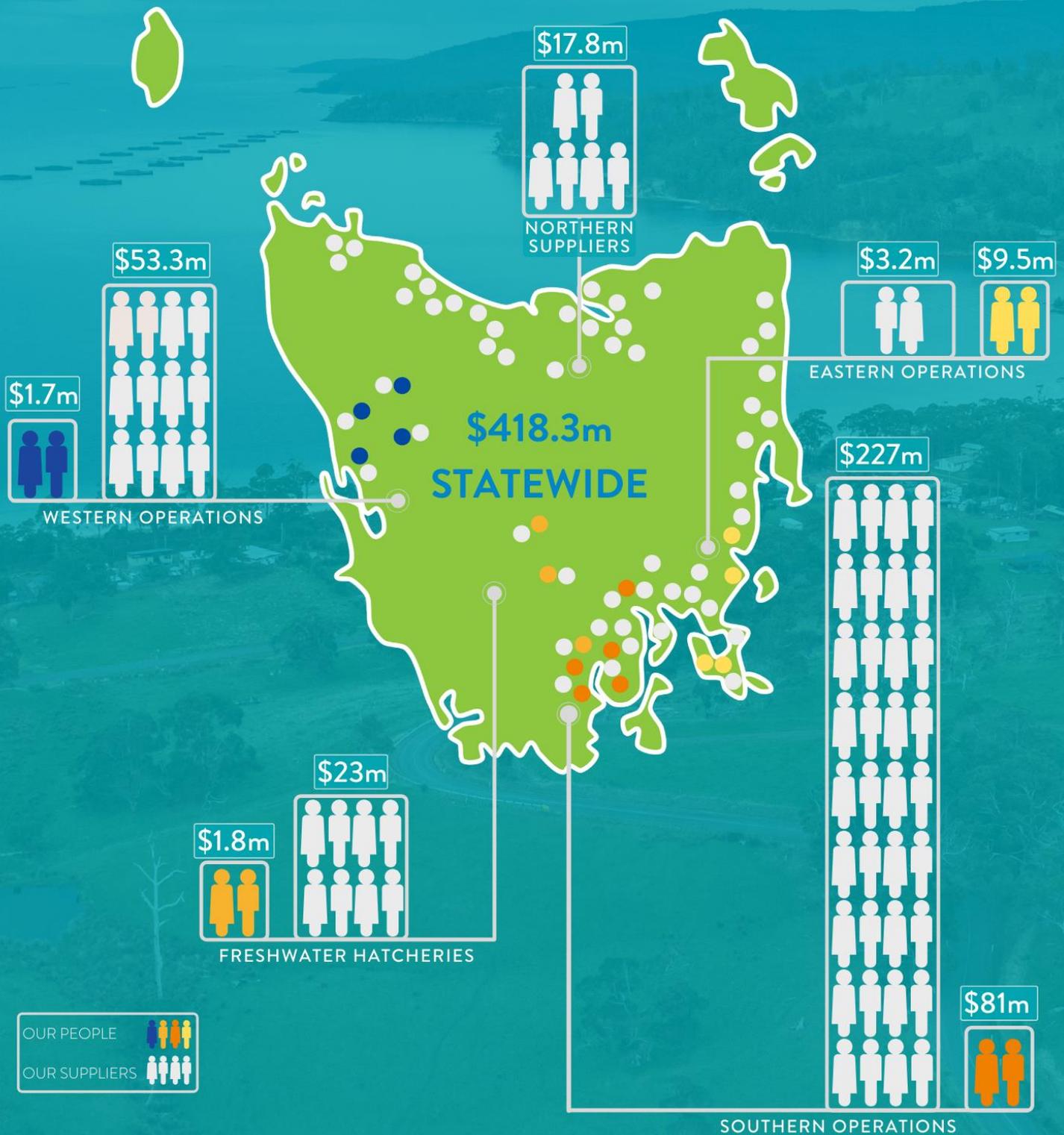
FRDC Reports

TSGA Website: Salmon Facts

OUR CONTRIBUTION TO REGIONAL AND RURAL COMMUNITIES IN TASMANIA

At Tassal, we're committed to supporting the countless communities in which we operate. We know that without the support of these communities, we wouldn't be able to grow the world's greatest salmon. From cafes and grocery stores, to engineering companies, marine equipment suppliers and hundreds of other organisations across Tasmania, more than 16,760 people are supported by the ongoing operations of our farming business, which continues to provide vital employment in regional and rural parts of our state.

*Based on the average Tasmanian household of 2.5 people | ABS, 2006



We comply with all regulations

The salmon industry in Tasmania has operated for 30 years within a complex system of environmental regulations that include 38 pieces of legislation, multiple regulations and hundreds of licence conditions, with many overlapping federal, state and local government requirements, as well as international conventions to which Australia is a signatory.

We are first and foremost passionate and committed to operating responsibly throughout Tasmanian regional communities and waterways in accordance with government regulations, third party accreditations and company policies.

The Tasmanian salmon farming industry is committed to investing in and supporting the best available science and globally proven best management practices to guide the operation and growth of our industry.

We spend more than \$1.8 million per year on research, development and monitoring to better understand interactions with the natural environment and studies aimed at improving fish welfare and biosecurity. The majority of this is spent directly with Tasmanian companies and research institutes. The costs of researching, monitoring and regulating this iconic industry reach deep into the pockets of Tasmanian companies. Together with the Australian Government's Antarctic programs, the salmon industry is a key pillar to Tasmania's research and maritime footprint.

There are hundreds of other environmental, safety and compliance jobs directly employed to monitor our industry (including government, farm and certifying bodies).

Through significant investment in research and development, the Tasmanian salmon industry is at the forefront of technological advances and is transforming aquaculture industry practices.

Tassal understands that regulatory obligations require detailed reporting and recognises that public demand for information is increasing. We are supporting this through extensive community engagement programs and rigorous scientific monitoring programs and public disclosure.

We believe that salmon farming is already held to a higher standard than other food producers.

The industry provides extensive datasets to Department of Primary Industries, Parks, Water and Environment and the Environmental Protection Agency Tasmania as part of satisfying reporting requirements cited under a range of management controls that form part of environmental and marine farming licence conditions. This data enables the regulator – EPA – to monitor our farming operations.

As an industry we monitor and review our systems and their effectiveness. We continually encourage a sense of environmental responsibility among all employees through training, education and communications.

In addition to statutory requirements and regulatory obligations, as part of our commitment to minimising impacts to the marine environment we participate in a variety of voluntary, transparent certification audits, programs and reporting schemes. We work with environmental specialists and researchers to ensure we comply with best practice standards that safeguard our natural ecosystems and contribute to the wellbeing of the communities in which we operate.

As part of our commitment to minimising impacts to the marine environment, we go above and beyond requirements to collect and monitor a range of data relating to the health of the waterways in which we operate. This data collected exceed basic compliance obligation and provide a transparent repository from which regulators, scientists, environmental groups and the general public can assess the industry's actions. These data sets are robust, often publicly available, independently sources, longitudinal, peer reviewed and audited as part of our certification requirements.

They include:

- Wildlife interactions
- Benthic compliance
- Nitrogen cap compliance
- WHS figures
- Therapeutant use
- Water quality
- Marine Debris

Due to the large number of regulations, the complex compliance and legal framework at a local, state and Commonwealth level, the third-party global accreditations that are voluntarily maintained, and the sustainability reporting frameworks that are voluntarily released, it can be very difficult to comprehend the level of administration applied to a salmon farm.

To strike the balance of information that satisfies the general public and consumer that the level of regulation and compliance is acceptable (and that the operations are sustainable and appropriately managed), when the public, in the main, isn't immersed in the level and extent of regulatory requirements, becomes the challenge.

CONTRIBUTES TO TERMS OF REFERENCE 1 & 3

FURTHER INFORMATION CAN BE FOUND AT:

Tassal Sustainability Reports
Tassal Annual Report
Tassal Sustainability Dashboard (routine disclosure)
FRDC Reports
TSGA Website- Salmon Facts

We invest in R & D

To grow productively and maintain the healthy environment needed to grow fish, our industry has had to innovate. Our industry is regarded as amongst the most innovative in the world.



Figure 2. Tassal credentials.

As responsible farmers and neighbours, we know scientific and operational excellence is critical both above and below the water. Reliance on research and scientific evidence establishes credibility, accountability and due diligence in our decision making. Tassal actively collaborates with Australian and international research institutes and independent consultancies to drive a culture of continuous improvement through the entirety of our operations.

As outlined, Tassal has contributed millions of dollars towards research and development through levies paid to the Fisheries Research and Development Corporation and is matched by the Commonwealth.

This investment has seen significant advancements in how salmon farming is undertaken. For example, over the past 30 years we have developed sophisticated modelling tools to better understand the environmental response from our farming operations; adopted smart farming and data analytics through Internet of Things (IoT); improved water use efficiency (including through the introduction of the Aqua Spa), strengthened biosecurity and advanced salmon breeding programmes to improve survivorship and growth.

We are a key industry participant within the Blue Economy Cooperative Research Centre (CRC), supporting our efforts and the broader Tasmanian salmon industry in world-leading research and development as we transition responsibly to offshore farming.

SNAPSHOT

AQUA SPA	We are investing in our new well boat Aqua Spa – featuring world-leading technology and innovation – which will strengthen biosecurity and improve efficiencies to bathing operations. This makes for healthier fish and increases safety for our people. Adopting an in-built reverse osmosis system, Aqua Spa will also reduce our reliance on using fresh water, a key target for improving our operations and allowing us to operate safely in increasingly exposed locations.
ECO AQUACULTURE	Cementing our nation-leading eco aquaculture vision through the development of a new partnership between salmon, shellfish and seaweed producers. This was possible with a \$2.3 million commitment from the Commonwealth Government for seaweed culture research and will provide economic, environmental and social benefits for all of us.
OCEAN SANCTUARY PENS	Accelerating the roll out of our ocean sanctuary enclosures, allowing our fish room to swim and grow healthily whilst ensuring the safety of our people and minimising interactions with wildlife
MULTI PURPOSE RECIRCULATING AQUACULTURE SYSTEM (RAS)	Facilitating best practice stocking and fallowing strategies to produce Tasmania's largest smolt in our land-based nurseries, reducing the time our fish spend in the marine environment.

INNOVATION & INFRASTRUCTURE

Innovation is at the heart of all our operations and we continue to take steps to improve feeding. Our centralised feeding program is now fully implemented across our marine salmon operations.

The combination of technology, infrastructure and investment in people has seen us achieve better growth and lower feed conversion, with results showing a five per cent improvement in biological feed rate conversion (bFCR) and a six per cent improvement in eFCR for the 17 year class when compared with the previous production cycle.

Further, through modern diet initiatives, the use of high energy diets is achieving better growth for the same amount of feed as traditional diets. Our feed centre in Hobart has partnered with our environmental compliance team to further reduce our environmental footprint within our lease areas by reducing feed wastage, resulting in improved benthic health.

In FY19, we commenced pellet detection trials, providing cues to detect feed pellets with an objective to further increase feed efficiency. Using the same feeding cameras, staff are now conducting health

assessments, net scores (how clean the nets are), wildlife presence, detecting harmful plankton and jellyfish, all while improving safety, environmental impacts, and improving efficiency.

The feed centre will soon be remotely operating oxygenation and aeration systems to optimize in pen environment while minimizing energy use. The autonomy that the feed centre provides will be an important platform as we move into high energy sites where remote operation of vessels and systems during rough sea conditions will allow us to monitor our farm and stock while keeping staff safe.

CONTRIBUTES TO TERMS OF REFERENCE 1, 2 & 3

FURTHER INFORMATION CAN BE FOUND AT:

Tassal Sustainability Reports

Tassal Annual Report

Tassal Sustainability Dashboard (routine disclosure)

FRDC Reports

TSGA Website: Salmon Facts

We are responsible neighbours

As an industry we are consistently looking for opportunities to improve.

With sustainability at our core, the quality of our fish is a direct reflection of our deep understanding of the local marine environment and how we can minimise our impact – on the water column, on the sediment, on the marine flora, and fauna on the coastline.

We know that to continue to be an industry that is widely supported by Tasmanians, we need to focus on and continue to act as responsible custodians of the environment in which we operate, and how that impacts on those who use the waterways, whether recreationally or commercially, near us.

As an industry, we are always looking at ways to improve how we operate and work within communities better. That's why across the industry, we consistently develop and collaborate through community interaction and engagement programs.

Community engagement across the industry is driven by a genuine commitment to foster and develop meaningful and constructive partnerships within these communities.

As an industry, we engage with Tasmania's lawmakers, and we have proudly hosted many tours of our leases, facilities and operations for members of Tasmania's Legislative Council, members of Tasmania's House of Assembly and members of local government in Tasmania. As an industry, we do not shy away from scrutiny and have taken it upon ourselves to go above and beyond in demonstrating our commitment to sustainable farming in Tasmania.

As a major economic contributor in Tasmania we understand we have a responsibility to ensure we provide sustainable and beneficial outcomes for our communities and stakeholders. We are further developing our existing and new partnerships with the community with a focus on social, environmental and economic outcomes.

We have a genuine desire to listen to the communities which support us and our plan for regional Tasmania.

We have developed community partnerships that enable us to engage directly with the people who live in the regions in which we operate. This allows us to engage, share information and understand how we can better support the communities where we operate.

Regular community information sessions are undertaken to keep communities informed of our operation, social and environmental plans and outcomes. These information sessions are vitally important and provide a formal platform for open dialogue and discussion on emerging issues or concerns. We support factual based discussion on the industry, not Facebook news, misinformation or malicious campaigns.

We are always aiming to improve and engage in fact and science-based discussions and output, but we do not want to be subject to biased agendas, misinformation, Facebook news, or irresponsible communication.

Tassal is committed to bringing long term, economic and social benefits to regional areas. As a responsible business, we have a support role to play for the communities in which we operate and for our employees who live in them. Transparency establishes accountability, due diligence in our decision making and fosters a culture of pride in Tasmania and continuous improvement.

Tassal’s operating and engagement principles are:

- ensure community feedback is considered and where possible, incorporated;
- accepting that people who live, work and recreate around the site, value, use, care and have an interest in the area;
- build confidence in the system as world’s best practice and commercially sustainable;
- minimise impacts of our operations within our commercial, regulatory and safety constraints;
- ensure safe staff, healthy fish, good performance and no harm to wildlife;
- invest in what’s good for our business and our shareholders;
- consider and manage heritage and environmental issues and values;
- provide real, timely and balanced information about operations to relevant stakeholders; and
- develop long term constructive relationships with stakeholders.

SNAPSHOT

<p>SCHOOL PROGRAM</p>	<p>The ABCN Business Class Partnership with the Tasman District Schools is a long-term partnership to deliver a ‘needs driven’ approach to support and engage in a way to help lift standards and student achievement in the school. After funding opportunities dried up, Tassal proudly took on the funding for three years to ensure this program can continue to deliver great outcomes for the students.</p>
<p>BETTER TOGETHER GRANTS</p>	<p>Our Better Together community grants program provides the opportunity for community-based organisations, sporting groups, schools and individuals to apply for funding to support their initiatives. Applications are considered against our four community pillars (education, health and wellbeing, social inclusion, and environmental stewardship) in consultation with each region’s established Community Advisory Group.</p>
<p>MARINE DEBRIS</p>	<p>We are working hard to play our part in reducing marine debris. We have a Towards Zero approach to this challenge and are relentless in our focus, taking accountability for our actions.</p>

	<p>Our people undertake a range of practices to maintain our marine environment and ensure instances of debris entering the marine environment continue to be kept to a minimum.</p> <p>In addition to this, our teams inspect the waterways checking for marine debris; we have on-land teams scouring the shoreline for debris; we undertake community clean-ups and through partnerships with community organisations we have regular clean-ups. Today, we are a net remover of marine debris.</p>
RECYCLING	<p>We have a strong focus on reducing waste and our environmental footprint through effective minimisation and management of biological and non-biological wastes. We have invested in a range of environmental improvement programs. This includes recycling our major marine plastic waste with Tasmanian company Envorinex, which transforms our soft and hard plastic waste into second life products.</p>
WILDLIFE	<p>Wildlife management is important to us. Diversion of wildlife from their normal foraging behaviours creates increased risk to the welfare of our stock, our staff and the wildlife.</p> <p>The foundation of our approach to wildlife management is exclusion through adoption of the ocean sanctuary pen concept and design and we have invested \$70 million-to deliver this. Additionally, we employ specialised wildlife officers at each farming zone to implement all aspects of wildlife management according to internal policy and state legislation.</p>

WATER MANAGEMENT

Responsible water management is fundamental for all of Tassal's operations. Maintaining water quality and minimising usage is important for the environment, the communities in which we operate and the health of our fish.

Water management at Tassal is informed by Environmental Licence (EL) conditions for our land and sea sites. A compliance program has been developed to ensure we meet our regulatory commitments. We undertake extensive water quality monitoring, including biological monitoring, at our land-based and marine sites and have developed a database of information which is continuously being expanded. This information allows for informed decision making for all environmental aspects, including water management. Our operational practices are continuously evolving to minimise impacts.

THE BALANCE

Like the complexities of regulation, there is an inherent balance between:

- the extent of environmental, consultation and monitoring programs legislated and voluntarily put in place;
- the level of awareness and understanding in the community and stakeholders of the above; and
- the level of comfort the community and stakeholders feel that the extent of environmental, consultation and monitoring programs legislated and voluntarily put in place are acceptable and reasonable.

This balance can become precarious when it is unreasonable to assume that the community and stakeholders will have full insight and understanding of governance regimes legislated and volunteered. Therefore, in times of community and stakeholder discomfort it becomes a challenge to firstly educate on the relevant subject matter (which can often be very technical legally, scientifically and operationally), and for this education to be considered in the solution, in an objective and digestible manner.

However, overcoming this challenge will reduce the risk of unnecessary additional regulation and governance being put in place.

CONTRIBUTES TO TERMS OF REFERENCE 1, 2 & 3

FURTHER INFORMATION CAN BE FOUND AT:

Tassal Sustainability Reports
Tassal Annual Report
Tassal Sustainability Dashboard (routine disclosure)
FRDC Reports
TSGA Website: Salmon Facts

Our financial sustainability underpins our very existence

Today, our responsible salmon farming strategy is strong. Throughout Australia, consumers continue their demand for a healthier, sustainable source of nutrition. Our shareholders continue to back in our company offering, our vision and the financial and operational sustainability of Tasmania's salmon industry.

This has not always been the case. In 2002 the industry was highly fragmented and unstable and had the potential to significantly impact the future prospects of the industry, communities and people that directly and indirectly relied on our performance. The industry was not viable in 2002.

Since then, we have worked hard on ensuring our financial stability. Through this sustained growth of financial performance, we have been able to investment in and build a strong and sustainable industry.

This year, we recorded the highest full year financial performance that we've experienced. The strong growth in salmon sales whilst continuing to focus on driving cost efficiencies and optimising its sales mix meant our operating NPAT was up 12.5% to \$56.6 million and operating cashflow was up 104.9% to \$89.9 million.

These results are to be embraced and as a company, industry and state we should be proud.

What does this mean? It means that we had continued and sustainable growth, including:

- We saw continued strong growth in salmon biomass and sales:
 - Harvest was up 7% to 33,036 HOG tonnes;
 - Sales were up 10.3% to 33,856 HOG tonnes;
 - Optimised salmon size (4.4kg HOG);
 - Live salmon value was up 9.4% to \$399.9 million; and
 - Australian domestic volume was up 11.0% to 26,860 HOG tonnes.
- This strong growth in volumes and further optimisation of sales mix underpinned a 19.9% growth in salmon revenue to over \$474 million.
- Demand again outpaced supply and this is expected to continue with a more gradual growth in supply over the short term.

When we are strong, supported and meeting our investment strategy for our shareholders, we are able to serve better: better quality salmon; better environmental outcomes; better community opportunities; better long-term sustainable returns to shareholders; and an overall better future for our people and communities.

First and foremost, we are a business and like all businesses, regardless how small or big, we need to remain financially viable, sustainable and competitive in the global seafood market to continue to do the good work we are doing.

We are a proud Tasmanian company and our preference is that our success remains connected to the state.

CONTRIBUTES TO TERMS OF REFERENCE 1, 2 & 3

FURTHER INFORMATION CAN BE FOUND AT:

Tassal Annual Report
ASX Media

We are proudly part of Tasmania's iconic salmon industry

Six months ago, technical experts from Tassal and the TSGA member companies participated in an information briefing to all members of the Legislative Council, which we believe was received well.

We welcomed the opportunity to provide technical insights into our operations within the Tasmanian Government managed fin fish farming regime, to correct the record, if needed and to represent the people and families who are working on the frontline in our industry to provide sustainable protein to the nation.

We each offered to provide additional information required by the Legislative Council members or the collective, at any time. This offer stands.

We were joined by technical experts from Tasmanian and Australian leading research institutes who talked about their studies, the data sets, some of which is 10 years old, some longer, the models that tell a story of sustainability and the evidence that backs it up.

We heard how the Tasmanian Government operates their regulatory regime, the impacts on the recent reforms and the statistics and analytics of their compliance programs.

We listened to community members who presented views and told us how they feel.

And we were buoyed by the sense of interest and comfort in the room.

Because we are unique, and uniquely Tasmanian – from our farmers, and all our employees, to our researchers, to our governing systems and administrators.

Our industry isn't managed by cookie-cutter regulations. We are the most complexly managed and transparent industry in Tasmania, if not in all of Australia.

We are a mature industry, bringing 30 years of proven year in year out results and a strong trend of innovation and improvement.

We are proudly part of Tasmania's iconic salmon industry, and we will not jeopardise that.