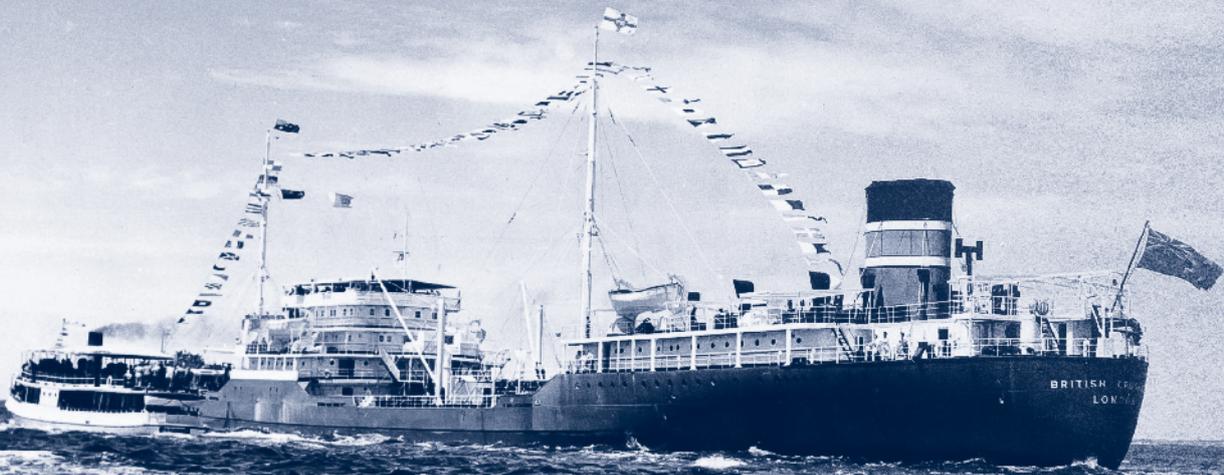


ANNUAL

— REPORT —

2020 - 2021



kwinana
INDUSTRIES COUNCIL



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ORGANISATION PROFILE

Kwinana Industries Council (KIC) was formed in 1991 with the original purpose of organising air and water monitoring within the buffer zone for the industries in the Kwinana Industrial Area (KIA).

Since then it has expanded its responsibilities to the point that it manages industrial hazards programs, air and watershed monitoring and protection, and has coordinated industry's efforts to reduce industry emission impact on the sensitive marine environment of the adjacent Cockburn Sound.

Issues such as formalising a protection area (buffer zone) around the industrial area, gas and water availability, integrated transport infrastructure, regulatory efficiency, and advocacy for the new port in Kwinana have been high on the agenda.

KIC addresses a broad range of issues common to major industries and seeks to foster positive interactions between member companies, industry and the broader community. KIC is recognised both locally and globally for its commitment to partnerships between industries and local high schools in developing the skills of students.

The KIC acts as an industry representative body that takes on issues on behalf of its members to achieve legislative and regulatory simplification, resolution of competitive disadvantages through infrastructure provision, and the continuation of a positive public image.

Membership

The KIC membership comprises major industries found within the Rockingham and Kwinana industrial areas, as well as medium sized operations and support service sectors.

Committees

The majority of the work carried out by KIC occurs in its committees where KIC members come together to improve industry operation practices in Environment, Public Safety, Industry Mutual Aid, Public Affairs and Communications, and Infrastructure Planning.

Employees of the KIC member companies act as delegates to the various committees and working groups, making KIC as much a voluntary (industrial) community group as an industry representative body.

Committee members bring their experience, technical and specialist expertise to the table, and the output from various committee activities is used as the basis for communication to KIC's stakeholders, such that industry is seen as speaking with one voice.

“...the Kwinana industrial area has remained successful because firstly, existing businesses have been nimble to seize opportunities and secondly, they have highly determined, talented and committed employees.”



PRESIDENT'S REPORT

I have had the pleasure of working with the KIC on its Executive Committee for the past nine years, and as President I am pleased to provide this summary on behalf of the KIC Board.

Welcome to the 2021 KIC Annual Report. Activities described in this report will provide a clear insight to how KIC members are proactively working with each other and the boarder community to ensure a sustainable, bright, long term future exists for all.

It cannot be overstated that the pandemic has resulted in dramatic changes in the global economy. The unprecedented economic impact of COVID-19 has seen a significant downturn in consumer confidence within all sectors relating to KIC member industries. Deflationary pressure has resulted in reduced volume and income for some businesses which has had the inevitable result for businesses of placing greater focus on controlling costs. At the same time the export facing WA mining sector has also seen an uplift in sales with Australian supply being favoured ahead of other jurisdictions impacted by COVID. Australian supply has been recognised as a secure source of supply by customers seeking to manage sensitive supply chains due to the pandemic, and this has had a positive buffering impact on some of the Kwinana based businesses which support the WA mining sector.

“The unprecedented economic impact of COVID-19 has seen a significant downturn in consumer confidence...”

Against a backdrop of consecutive years of relatively low Australian CPI growth, fortunately for some time all businesses have been working extremely hard to ensure they remain competitive, optimise costs and improve their overall productivity. Prior to the pandemic, commodity prices were generally holding steady, however during more recent times commodity prices have become especially fickle and have in some instances declined significantly.

While local industrial export facing businesses selling in US dollars have enjoyed some currency exchange relief, the large reduction in demand and headwinds from lower commodity pricing have resulted in unfavourable net outcomes overall. Over my years working in industry, I have seen many changes in economic conditions and have always been inspired by the determination of Kwinana industry to innovate, adapt and remain relevant.

Regrettably, a number of similar industrial operations throughout Australia have been slow to change, and as a result have either reduced operational activities or transitioned their investments offshore. For the most part, the Kwinana Industrial Area (KIA) has punched well above its weight, and is recognised internationally for its growth, longevity and the +150 cross boundary process flow synergies between KIA businesses. These synergies offer considerable competitive advantage to industries that have established themselves together, and these advantages are of critical importance during uncertain times and when overcapacity exists in the global economy.

Despite the turbulence of economic cycles, over the longer term the Kwinana industrial area has remained successful because firstly, existing businesses have been nimble to seize opportunities and secondly, they have highly determined, talented and committed employees. Businesses and their employees have worked hard to remain competitive and adapt to various economic headwinds with great success for them and the local community.

The Kwinana industrial area delivers on various fundamental needs (and addresses key supply risks) that exist within our modern society.

Western Australia is lucky to have a vibrant industrial area in Kwinana with its extensive range of viable capabilities that can competitively produce essential inputs needed. Suring up this supply is important to our society for several reasons.

1. The KIA provides a means of essential connectivity and continuity across important sectors of our WA economy, broader society, and its regions. Most people don't realise just how reliant our daily lives are on Kwinana's industry and exactly how connected we are with regional WA. I'm referring to Kwinana industry being responsible for producing and handling many of the key inputs required by society such as; refined essential materials used in construction, refined materials used for renewable energies and battery manufacturing and high technology light weight alloys, critical chemicals used in drinking water and water treatment purification, sanitation chemicals and specialised gases for hospitals and laboratories, chemicals and fertilisers for agriculture and food production, fuels and gas used for all forms of air, road and rail transport, mining chemicals and explosives essential to scale and productivity, gases used in domestic and commercial heating, refrigerants for cooling, pigments used in paints, etc...
 2. Kwinana is not only a major employer of skilled workers, apprentices, and trainees, and it is also responsible for around \$16 billion of the State's economic activity. Many lives, livelihoods, families, businesses, and communities are connected to and highly reliant on these activities occurring.
 3. The KIA provides locational strength. Nestled on the coast within the Perth metropolitan area, being protected by an industrial buffer zone, and with the enhanced port infrastructure promised by the McGowan government due to the relocation of the freight task from Fremantle, the Kwinana Industrial Area is set to expand. This means more employment opportunities will abound and our economy further strengthening it. This locational aspect is of immense importance because the co-location of industries offers the participants in the area collectively key synergies where they are able to efficiently share inputs as well as utilise each other's outputs. This sharing of materials, products, services, and infrastructure delivers significant competitive advantages. The co-location of industry fosters efficiency and unique trade reliance. This movement of materials is occurring continuously within Kwinana and is further supported through associated transport workers and businesses and service industries.
- These inputs are extensive and are continuously being used in our daily lives directly or indirectly, without many of us giving much of thought as to where the inputs are coming from. Many modern-day aspects of our lives are fully reliant on these inputs, and in essence, these inputs are fundamental enablers to having a functioning society. This important reliance is precisely why the inputs are used throughout the WA economy, as well as exported out through Kwinana to other economies.

The Kwinana Industrial Area continues to act as an important enabler needed to support our broader Western Australian society. For it to remain effective, it needs to be appropriately protected through effective State land-use planning, remain connected by important unrestricted well set out efficient road and rail freight links which can grow, and in turn this allow important materials to flow to where they are critically needed by consumers in society. Ensuring there is space for the elements of this overall system to expand in a healthy and manageable way over time is essential to the long-term success of our communities and daily lives. Similarly ensuring issues impacting the activities within this system are responded to early and in a proactive preventative way allows the system to continue to function in a reliable and self-sustainable manner.

Whether it is electricity to power our homes and businesses, the production of battery precursor material for use in electric vehicles, the generation of energy from alternate fuel sources supporting customer transition to a low carbon economy, the production of efficient clean fuels for specialty transport applications, the production of fertilisers to allow the state to grow crops and other foods we eat, supply of chemicals to sanitise the water we drink or products to construct buildings, Kwinana based industries continue to be fundamentally critical in ensuring our modern society functions well.

While some may view having a vibrant manufacturing industrial footprint as undesirable, recent world events have highlighted serious exposures which remind us of the critical importance of having local manufacturing and supply capabilities. For various reasons cited, the reality is that our modern society is highly reliant on the existence of efficient industries. As has already been demonstrated there is a strong desire and need for industry to continue to improve its efficiencies, reduce emissions and continue to remain relevant to consumers.

It will be the knowhow and determination of the people connected with industrial businesses that will continue to reinvent the nature of industry and ensure it meets all customer demands while also finding innovative solutions to issues that meet the broader expectations and needs of society and its various stakeholders.

Our ongoing strategy to have a certainty of supply to our customers and the broader society, leads us to maintain the buffer and secure protection from incompatible development around the industrial area remains a key focus for the KIC. For this reason, KIC continues to advocate for the responsible management of the industrial area and protection from the encroachment of non-industrial development incompatible sensitive land uses within its surrounding buffer zone.

KIC believes the management of the State's premier manufacturing area requires greater certainty of land use as well as area more clearly defined and allocated for industrial and non-industrial development. This includes systematic tools and structures that support responsible compatible future industrial developments, as well as mechanisms that prevent and protect against the risk of incompatible developments arising. The value the Kwinana industrial area delivers cannot be underestimated, and protecting the industrial buffer is essential. KIC is determined and continues to shine a light on this important issue and welcomes positive outcomes with the State Government and its related departments and agencies.

Another ingredient underpinning the success of the Kwinana industrial area is how neighbouring industries proactively come together to address common strategic issues, both current and on the horizon - and that's where KIC comes in.

KIC ensures there is a strong platform for industries to work together and resolve issues of a broader critical importance. In the past year KIC has completed several new initiatives, and two great examples of projects completed that represent a common collegiate interest are KIC's 'Carbon Reduction' and 'Women in Industry' projects, which have both had important outcomes achieved this year and are discussed further in this report.

Reflecting on the various initiatives and projects under development, I always feel proud of the role KIC's has played supporting these developments and how collaborative efforts can translate an investment concept into new local jobs and economic activity.

KIC's 2021 Annual Report will provide readers with further detail of some activities undertaken by KIC member industries over the past year. To that end, I'd like to recognise the outstanding support KIC members receive from the KIC secretariat, Chris Oughton, Debbie Hoey and Yvonne Noack, and I am also very grateful for the commitment shown by our Executive, Board, Committee Chairs and Committee Members.

“Most people don't realise just how reliant our daily lives are on Kwinana's industry and exactly how connected we are with regional WA.”

Albert Romano

Mr Albert Romano
Kwinana Industries Council President



DIRECTOR'S REPORT

An important milestone during the year was the re-elected McGowan Government's reinforced-commitment to building the new freight port in Kwinana.

This heralds an exciting new era in the development of the Western Trade Coast (WTC), and in particular the Kwinana Industrial Area. It is timely that the commitment to building the new port has been re-stated not only because an enormous amount of new industry is heralded as heading our way, but also because some of industry's key constraints are set to be resolved by the planning associated with the port development. Here are some of these.

Land

The new port is already generating national and international interest as a destination to establish new heavy industries. The WTC is essentially out of large heavy industrial lots, from Rockingham to Henderson. We can say this is a great problem, sure, but a problem it is. Latitude 32 (the old Wattleup town site and associated rural land) remains the only logical place into which the heavy industrial core can expand its footprint. The buffer zone is the widest there, it can be well serviced by freight road and rail, and it is close to the new port. It is well and truly time for the Department of JTSI to get into gear and have the land zoned for this purpose.

Freight Rail

The existing freight rail system is running at capacity, has been for some years now. It presents a constraint on industry, which means road traffic volumes increase to compensate. The new port will fix this through rail upgrading projects.

Jetties

Existing port jetties are also operating at capacity, which means additional or new trade is not able to be accommodated in the Kwinana berths. The emphasis on efficiency and capacity improvement the new port infrastructure will bring should also see the two common user jetties de-constrained through reconfiguration and upgrading.

Pipeline Corridors

Pipeline corridors contain the arteries that connect many of the heavy industries that exchange products, by-products, and utilities. They are complex and difficult to access. The new port provides an opportunity to better formalise, improve access, and simplify corridor access because by definition, the new industries attracted to the industrial area will need pipeline corridor access.

Environmental Monitoring

Environmental monitoring needs to be well-directed, accurate, consistent and sensible. The new port will trigger a requirement for better real time monitoring of Cockburn Sound. This is a better outcome for the whole environment and for the communities surrounding the WTC that all environmental monitoring is reviewed and made contemporary. The regulatory requirement for some certain monitoring is not only pointless, it is quite simply a complete waste of money - money that would be better re-directed into sensible monitoring regimes.

Export Opportunities

The new port will bring new export opportunities. We are already seeing this with the emergence of the Lithium Valley industries that are arriving. We are also seeing new opportunities in the renewable energies sector, where not only can zero carbon water, electricity, and hydrogen be incorporated into existing commodity production, it can also be used to assist exporters to demonstrate the required carbon reduction or neutrality to the buyers of their products.

Efficient Freight Routes

The new port will crystallise the requirement for an efficient road freight route to carry goods from the dock to Kewdale and other intermodal locations. For the record, an efficient freight route is one that has no traffic lights or roundabouts, and doesn't pass through residential areas because of the dangerous goods it carries.

Rowley Road was planned to be that route, complete with rail corridor, but somehow there must have been a disconnect between the State's land use planning system and freight planning system. The long-planned freight route became compromised by residential development so it can no longer serve the planned strategic freight route purpose planned for it.

Anketell Road has been long-identified as the second major freight route from Tonkin Highway to the KIA and its ports. Even that is under pressure from residential and commercial development. We need to do this differently, urgently.

For the sake of the new port in Kwinana and the long term functionality of the KIA, construction of the Anketell Road (or nearby) freight route can already be justified.

Proper Government Planning

Importantly, the new port must surely bring heightened focus by government planning decision makers on the need to preserve industry's buffer zones. For close to two decades, residential property developers seem to have grown their influences on our statutory planning processes.

Buffer Zones

It is completely pointless to invest in a new port in Kwinana if the buffer zone is able to be eroded by property developers seeking to squeeze affordable housing on tiny blocks into areas set aside decades ago to provide buffer zones that encourage heavy industry to set up, grow, and operate well into the future.

Industry's buffer zones need to be strengthened from their 'malleable' state to a 'no-go zone' for property developers. Government departments with a role in promoting the longevity of the WTC Strategic Industrial Area quite frankly need to step up and assert their responsibilities to the State.

Future Management

The future of the WTC is bright despite the constraints under which it continues to successfully operate. It could actually be a lot better though:

- common user infrastructure could be more efficient;
- concierge work (assisting new entrant industries to get their approvals) of various government departments has much room for improvement; and
- departmental governance of the WTC could be significantly improved.

Fixing these constraints helps enable industries located within the WTC to be more internationally competitive. In being more competitive industries can grow and develop, and this translates into more local jobs and economic contribution to the wealth of the State.

Prior to the recent State election, KIC wrote a White Paper (Western Trade Coast Governance) describing all of these points along with their solutions.

The paper was provided to various political parties in the lead up to the election and discussed with those who wished to engage. We remain hopeful that the State's Premier Industrial Area can benefit from the recommendations industry made, but doing so will mean the creation of a new Government governance environment for the WTC.

One could anticipate a fair bit of departmental resistance to this idea. To them I say the State's interest is more important than any departmental interests. It is the creation of thousands of jobs and the economic prosperity that goes hand in hand, that is far more important.

To knowingly leave the WTC to continue operating under the constraints described above is a manifestation of suboptimal and questionable governance. Many of these constraints could have, and should have, been fixed years ago, but they have not.

Looking optimistically into the future, I continue to see new interest in the industrial area from potential new-entrant companies. These are predominantly from the Lithium industry value chain and the renewable and associated energy sectors. There is much going on to get excited about, with many yet to break through as approved projects.

In concluding, I'd like to thank the KIC members for their support of KIC; our President, Mr Albert Romano for his leadership, and to my staff, Yvonne, Debbie and Kristy, for their dedication. I'm proud to be associated with them all.

The Western Trade Coast is the State's premier industrial area, responsible for pumping around \$15Bn into the State economy each year, and employing around 30,000 workers directly and indirectly. There is land suitable for heavy and general industrial development within the buffer to easily double these figures.

We are witnessing the resurgence of the Kwinana Industrial Area, with all of the interest associated with Lithium Valley and Westport; the new port for Kwinana.

This is going to translate into jobs for our kids and for our communities, and long term economic growth for our State. Are we ready for that?



Chris Oughton
Director





ECONOMIC DEVELOPMENT

The Kwinana Industrial Area (KIA) has been in existence for approaching seventy years, with some companies marking sixty to sixty-five years of operation. The KIA has made, and continues to make a major contribution to the wealth of the State of Western Australia and its people.

International Neighbours Connecting Globally

Big connections have been made during the year. The European Union is taking notice of the Western Trade Coast (WTC) from the perspective of a low risk source of materials for the energy storage battery industry – we call it Lithium Valley and now, so do they.

Numerous international companies have been here to look at the opportunities beginning to present in the area of business development.

Australian companies are emerging with projects now in the planning pipeline. The Americans are also watching with great interest.

With the Westport process progressing nicely, international (and national) eyes are on our maritime trade interface and the opportunities that can be developed to go hand in hand with all of the above.

Economic Impact

In 2014 the Western Trade Coast Integrated Assessment report was published.

The WTC is made up of four industrial estates, the Kwinana Industrial Area, the Rockingham Industry Zone, the Australian Marine Complex, and Latitude 32.

The report presents and reviews environment, social, and economic performance data of WTC industries which is sourced directly from these industries, and supplemented by state and local government data and other published reports.

Qualitative and quantitative data were collected with 40 interviews conducted and 27 questionnaire responses analysed.

The following key findings reinforce that the WTC is the State's premier industrial area, and has evolved a unique level of connectivity (synergy exchanges) that delivers strategic advantages to participating industries located within the WTC as well as Western Australia in general.

The report provides a measure of the value created for the Western Australian economy as a result of the industrial activity associated with KIC's members located within the KIA.

The Western Trade Coast core industries:

- are significant contributors to the Western Australian economy with direct sales of \$14.7Bn pa;
- employ 11,362 people directly, of which 64% live locally within Cockburn, Kwinana or Rockingham;
- pay \$953 million in wages and salaries directly to workers employed within the WTC;
- have indirect inter-industry flow-on effects amounting to an estimated \$10.3 billion in output, \$0.8 billion in wages and salaries paid, and 18,274 jobs;
- make a positive social contribution to local communities with over \$1.8 million in donations reported by industries participating in the study for 2010/11, over double the value reported in 2007, in addition to the high level of local employment;
- have an extensive and highly integrated network of industrial symbiosis with approximately 158 synergies mapped between Kwinana cluster industries within the WTC, making the WTC a global leader in this area;
- have protection from urban encroachment, though pressure does exist on the buffer in some places for it to be reduced in size, requiring further planning controls to protect both the community and industry;
- provide a skills development centre and furnish the State with a uniquely skilled workforce and the skills developed by WTC industries makes the local workforce highly valued by resource industries in the north;
- are committed to managing the environmental impacts of industry;
- Environmental issues including noise, air quality, societal risk, groundwater and the marine environment of Cockburn Sound are being well managed by industry and government, and have continued to improve over time.

WTC industries have a significant impact on the Local, State and National economies.

The economic study undertaken for the 2014 WTC Integrated Assessment report calculated the following:

- The Kwinana Cluster remains the largest industrial cluster in the State.
- The Kwinana Cluster of industries accounts for approximately 70-90% of the WTC total sales, jobs, and wages and salaries figures (88% of sales, \$13.8 billion; 68% of jobs, 9,361 jobs; 69% of wages and salaries, \$0.7 billion).
- The output from the Kwinana Cluster of industries has grown by nearly 10% since the previous (2007) Integrated Assessment study. The proportion of output destined for overseas markets has declined in the Kwinana Cluster. Conversely, the proportion of output in the Kwinana Cluster serving the domestic Western Australian market has grown.
- The overall contribution of the Kwinana Cluster of industries to the Australian Balance of Trade is estimated to be worth \$5.195 billion. This may be compared to the total international export of goods and services from WA of \$118 million in 2010-11.
- The AMC Cluster of industries accounts for \$1.8 billion in sales, 4,396 jobs, and \$300 million in wages and salaries in the WTC.
- ...and then along comes not only the "Lithium Valley" industries, but also those associated with the renewable energy sector industries.

Lithium Valley

This is a catch-all name that has been applied to the emergence of the new energy materials industry that is centred on the KIA.

Given the nature of inquiries to KIC directly by national and international companies looking to enter the battery materials supply chain (secondary processing through to battery manufacture), this interest has been intensifying rapidly.

This new surge of industrial interest is underpinned by the announcements of three major lithium hydroxide refineries, two of which are located in the KIA. Further public announcements are in the pipeline.

Production of the State's Strategy will need to be rapid as there is only a short window of time in which it can be influential. The wave is arriving.

Synergies

Companies considering establishing operations in the KIA ask 'what has this area got to offer in comparison to other industrial areas?' The answer given looks something like this.

The KIA is the State's premier industrial area with all of the benefits of being located in the Perth South Metropolitan area: a substantial buffer zone, much undeveloped industrial land still to be brought to market, the world's best practice industrial synergies to be tapped into, a new freight port looking more and more likely, and the anticipated arrival of renewable energy producers. The choice is clear.

KIC4 Model

There are four types of synergies that add value to being located within the WTC. We call these the four dimensions of industrial symbiosis, or the 'KIC4 Model for Industrial Symbiosis'. Most people only refer to the first one.

1. KIC4 – Product and by-product exchanges

The first is the product, by-product and utility synergies dimension.

There are around 170 exchanges operating on commercial terms amongst the companies. Add to this, the bespoke products which are manufactured to customer specifications, and the number of synergies grows substantially.

Numerous more synergy opportunities will present as the new industries arrive.

2. KIC4 – Skilled workforce

The skilled workforce synergy dimension. Some 30,000 workers are employed throughout the WTC.

They are highly skilled industrial professionals, ranging from engineers and scientists through to advanced trades, technicians and operators, as well as office personnel, technicians, environment and safety managers and staff.

These people are already working in industry and are quite mobile within the area.

They represent the recruitment pool, and two thirds of them come with the added benefit of living within 15-20 kms of where they work.

There is no need for new workers to be recruited from afar, with the cost of their family relocations, or for the costly FIFO shift arrangements that burden other less centrally located industrial clusters.

3. KIC4 – Industrial support sector

The next is the secondary industry synergy dimension. This refers to the benefits exchanged as a result of the close proximity to the heavy industry core of a large number of enterprises consisting of the highly skilled and experienced construction companies, plant fabricators and engineering workshops, and of the plant and labour hire companies.

This is the industrial support sector that exists to provide services to their industrial customers.

They are good at it, they are located around the eastern flank of the KIA, and they have a proven track record of high quality, on time and on budget delivery. Local content at its best!

4. KIC4 – Governance

The final one is the Governance synergy dimension. This is characterised by the regulators, transport and land-use planners, and federal, state and local government influences.

This dimension is very complex and, as with other jurisdictions, requires substantial simplification.

Westport

'Westport' is the name given to the Government's election commitment for the planning around a new container and break-bulk port facility in Kwinana.

The Westport project is well underway and is strongly supported by industry. Current port infrastructure within the industrial area is essentially operating at capacity, and so too is the rail network. When the new port in Kwinana is eventually built, we will see existing road, rail and port infrastructure upgraded to standards that will be needed to support a new internationally competitive port.

The government has framed the new port in Kwinana in the context of opening up the State's potential for new job creation and economic development. A new internationally competitive port will be the catalyst for the achievement of this goal. The new port infrastructure will be the catalyst to removing existing constraining public infrastructure bottlenecks, and for placing the WTC on the world's stage.

Expanding the Heavy Industrial Core

The heavy industry core of the WTC is approaching its capacity to accommodate new entrants who will need a location well within appropriate buffer zones.

There is now an urgent need for the core to be expanded and the logical place to do this is where the buffers are the widest.

It was pleasing to see the Government committing itself firstly to the establishment of its Industrial Lands Authority, and secondly to its 'Lithium Valley' energy metals taskforce. These groups have acknowledged the core needs to be expanded. It is hoped that the private sector will be invited to aggregate the land in Latitude 32, and to then expeditiously bring it to the market.

“The new port infrastructure will be the catalyst to removing existing constraining public infrastructure bottlenecks, and for placing the WTC on the world's stage.”





WHAT IS KIC?

KIC is a not-for-profit incorporated business association with its membership drawn from the major industries and businesses in the industrial areas of Kwinana, Rockingham and Cockburn.

The KIC was incorporated in 1991 with the primary goals of:

-  Promoting a positive image of Kwinana industries;
-  Facilitating community access to Kwinana industries;
-  Promoting high standards of business ethics and practices;
-  Promoting and advancing the common interests of Kwinana industries;
-  Liaising with stakeholders in relation to the environment, public health, safety and industrial development, either as an association or on behalf of its Members, to ensure cost efficiency and protection of Member interests;
-  Detecting, determining and collating data relating to environmental emissions as a result of industry activity.

KIC achieves these goals through:

- industry leadership and advocacy;
- commitment to environmental sustainability and harmony; and
- community engagement and support.

Vision

The KIC aspires to be recognised through its actions and achievements as a leader in the field of industrial advocacy. As a voice for sustainable development, the KIC strives to build on existing relationships so that the community also becomes an advocate for local industry. Making its case using up to date and accurate information from independent sources, the KIC will leverage its technical credibility to a point where its advice is respected and sought after by state and local government. This can only occur when Members strive to exceed regulatory expectations and when the broader community has high levels of confidence in industry.

Mission

To promote and contribute to the sustainable co-existence of Kwinana industry, the community and the environment.





KEY STRATEGIC ISSUES

The Western Trade Coast (WTC) is the premier industrial estate in Western Australia, covering an area approximately 14km north-south and an average of 4km east-west, on the eastern side of Cockburn Sound some 30km south of the Perth CBD. The Kwinana Industrial Area (KIA) forms the heavy industrial core of the WTC.

In order for the benefits of industry to be retained, the businesses concerned must have a sustainable future, with certainty around the provision of essential infrastructure. Such a future must provide for new investment in the KIA and be allowed to continue so that businesses can grow. At the same time, industry has a responsibility to the community to conserve the environment for current and future generations of Western Australians.

Members of the KIC Board have previously agreed to focus KIC's resources on the resolution of six long-term key strategic issues.

The McGowan Government went to the election a second time proposing to plan for, build and transition to an outer harbour port in Kwinana. Industry strongly supports this and is keen to work constructively with the Government to see it quickly implemented. Planning for the new port and the transition of trade through it, once built, is the catalyst for the resolution of many of industries key strategic issues.



Establish and Protect the Industrial Buffer Zone

There has been a major focus on this issue over the last several years, with increasing pressure for sensitive land uses encroachment to the north, east and south.

KIC's view is that the Industry Protection Area (also known as the buffer zone) should be at the very least protected under the Metropolitan Region Scheme (MRS) as a Special Control Area. Implementation of a Special Control Area will provide the necessary certainty to industry, to the government regulators, their statutory and transport planners, and to the community.

In October 2020 the Minister for Planning approved a residential subdivision partly encroaching into the industrial buffer zone in the Wattleup area.

Industry was shocked by this decision, which came some six years after the developer had lost all statutory and legal appeal processes including the State Administrative Tribunal and the Supreme Court.

In Mandogalup, just south of the Wattleup area, the WAPC commenced a statutory Improvement Planning (IP47) process. Due in part to COVID complexities and rapidly intensifying concerns from stakeholders (residents, residential property developers and industry), the process is under intense scrutiny, with industry raising concerns that there is a process-bias towards the outcomes desired by the property developers.

Governance

The KIA is governed by three different local governments. This means three different approaches and attitudes toward industry, as well as three different town planning schemes. In no way can this be considered efficient for industry, or for the development of the industrial area from a State perspective.

On this basis, KIC's position in relation to local government boundary reform was that there should be just one local government that encapsulates the KIA, as well as the surrounding communities. This view remains. With the demise of the local government reform process, the issue remains unresolved, while the complexity continues unabated.

In the past, the definition of the KIA has been considered as "everything inside the buffer". As the buffer line is the same as the boundary defined by the WAPC in 2010, and as was described in the Liberal Government's proposed Industry Protection Area Bill (2015), KIC's position remains the same – that the Western Trade Coast should be governed under the one local government, not the current three.

It seems increasingly likely that the advent of a new port in Kwinana will bring about a revision of the governance structure for the Western Trade Coast, something KIC strongly supports.

Critical infrastructure (enablers of industry)

These critical infrastructure components are a significant focus area for KIC to work towards improving. Their resolution can also be linked to the arrival of the new port in Kwinana, where these issues will be addressed as part of the port planning process.

Water

Industry expansion is becoming process-water constrained. There were hopes a managed aquifer solution was going to resolve this issue. Regulatory nervousness very late in the process created hurdles that saw the demise of the project. This solution is now, unfortunately, off the table, but not from a technical perspective.

New additional sources will need to be found if industry is going to be able to grow and develop unfettered by bulk process water constraints. Expansion of the Kwinana Water Reclamation Plant (KWWRP) is part of the needed solution to this issue.

Energy and Transport

The rising energy cost issue has abated somewhat, but is something to keep a close watch on. Access to heavy transport linkages – road, rail, ports – has become a bottleneck to the expansion of industry in the KIA.

Good Connection with the Community

Much has been spoken about this over the past few years and clearly the KIC has funded work in understanding the nature of the issue and by developing solutions to it.

The KIC's Education Development Program is now quite mature, seeing around 300 high school students from within the 19 high schools in the Education Partnership moving through our programs. Work in this area has focused on raising student aspirations towards careers in industry, and has become highly regarded by KIC's Members, the partnering high schools, and the parents of the students who have participated in the various KIC programs. Of course, the main beneficiaries of the programs are the students.

The use of routinely published 'advertorials' known as the 'KIC Community Update' in local newspapers has proven to be a good way to get a consistent message into the community.

KIC went live with its new and restructured website, and now has a substantially enhanced social media presence.

Regulation

KIC is focused on maintaining its relationships with the government sector – federal, state and local. This is proving challenging due in part to the high staff turnover in these sectors, and the prevalence of unnecessary red tape that continues to be an issue offering substantial challenges to industry, existing and proposed, and the situation is not improving.

Advocacy on behalf of KIC Members is very important and KIC is active on several fronts. This work is driven primarily through the KIC committees and is yet another reason why member delegate attendance at committee meetings is considered to be an important aspect of KIC's work.

Maintaining Organisational Health

The best way for member companies to ensure the KIC is working in their interests is for their representatives to attend at the committee level ensuring the agendas for action set by the committees are the right ones.

Through their membership, KIC Full Members have a seat on all KIC Committees as well as the Board. It is critically important, not only for the health of the KIC but for the resolution of these key strategic issues, that the Full Member companies contribute their staff resources to the committees.

The benefits derived by Members is the increased professional knowledge their staff gain, and the contributions of those staff to directing the focus of the committee work into areas that deliver maximum benefit to the Members (and by definition to their own companies).



WHO IS KIC?

On one hand, KIC can be described as a group of companies however the spirit and intent of KIC moves beyond the borders of a constitutional definition.

KIC is an integrated entity that unites the resources of its member companies to work together to strive to be good neighbours within the surrounding communities, and to seek to better their regulatory requirements for environmental protection.

This is not merely an empty statement – KIC is committed to a transparent reporting regime where claims and findings are backed up by empirical data and tested evidence.

Environment

KIC is committed to environmental leadership instilling the highest environmental values in all our Members, thus becoming the benchmark for others both locally and national to emulate.

To achieve this vision and ensure its sustainability for the long-term, KIC will focus on excellence in environmental performance, build social leadership through community partnerships and demonstrate positive economic benefits through innovative environmental practices.

KIC is involved in many important community and environmental programs that have long-term and far reaching positive impacts.

Community

A key goal of the KIC is to maintain and enhance the community environment to the benefit of both the community and industry. Our aim is to build enduring relationships with our neighbours that are based on mutual respect and long-term commitment.

KIC Members have a desire to develop a strong partnership with the community and contribute to this in many ways.

Industry

Kwinana industry is a major contributor to the success of Western Australia at national and international level. The relationship between Kwinana industry and the local community is strengthened by a shared environment and a desire to be good neighbours. Effectively balancing the needs of the community, industry and the environment makes Kwinana unique in the metropolitan area.

The Kwinana Industrial Area has been in existence for over 60 years and has made, and will continue to make, a major contribution to the wealth of the state of Western Australia and its people.

Education

The KIC award winning Education Development Program (EDP) is about showing local high school students the types of careers that are available in industry and working with the students in a practical sense as to how they might aspire to these careers.

The KIC Board wants the Education Programs to be widely recognised as a best practice model of excellence in the delivery of a pre-VET and VET-based career development program, where it can be lifted up and taken into other communities and tailored by others to suit their local needs.

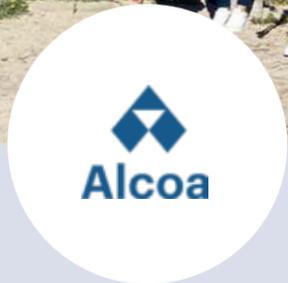


ASSOCIATE MEMBERS

The KIC membership comprises major heavy industries found throughout the Western Trade Coast, and mainly within the Kwinana and Rockingham industrial areas.

There are also many manufacturing and support service businesses within the KIC membership located throughout the various precincts. Our Associate members listed below are integral to the proper functioning of the world-renown industrial symbiotic ecology of the WTC. Our Full member companies are detailed on the following pages.

Air Liquide Australia, Kwinana	Freo Group	Programmed Skilled Workforce
BMT Mercury	Kwinana Cogeneration Plant/ Engie	RC Construction WA
BOC Limited	Lanskey Constructions	Sims Metal Management
Cleanaway	Nutrien Ag Solutions Fertiliser	Site Sentry
Crushing Services International	NewGen Power, Kwinana	Solenis Australia
Dampier Bunbury Pipeline	Nufarm Australia	Summit Fertilizers
EcoLab	Perth Energy	



What we do

About

Our flagship product, aluminium, is the world's most versatile metal. It is strong, flexible, impermeable, corrosion resistant and 100% recyclable making it an essential part of our modern world.

Alcoa has been producing aluminium in Australia for almost 60 years and our operations represent the entire product value chain from bauxite mining to alumina refining and aluminium smelting.

Two bauxite mines and three alumina refineries in Western Australia produce about 45 per cent of Australia's alumina. And Portland Aluminium Smelter in Victoria produces approximately 19 per cent of the nation's aluminium.

Our people

Our people are our greatest asset. In Australia, we employ thousands of people, predominantly in regional communities.

Our values ensure that we act with integrity, operate with excellence and care for people.

Alcoa has been named an employer of choice for 18 consecutive years by the Federal Government's Workplace Gender Equality Agency.

Investment

Supporting communities

We actively participate in the communities where we operate around the world, and we want these communities to thrive. We view our presence as an opportunity to help develop and enable economic activity, environmental practices and social programs that are sustainable, remaining even once our role ends. At the same time, being a good neighbour enables our operations to grow and create additional value.

Framework

Business model inputs

Since the dawn of the aluminium industry, the name Alcoa has been synonymous with operational excellence and leadership in the production of Bauxite, Alumina and Aluminium products. We invented the aluminium industry in 1888 and we continue to innovate with new technologies and processes.

- One of the largest bauxite mining portfolios worldwide
- An attractive global alumina refining system
- Optimized aluminium smelting network
- Innovative cast products network
- Flexible energy portfolio
- Maximising synergies between can sheet and other Alcoa markets

Future directions

Our strategy

In today's aluminium market, where lean operation is critical, our comprehensive portfolio of assets and our operating experience make Alcoa uniquely built to lead. We are known worldwide as a values-based company that holds to the highest standards of excellence—operational, environmental, and ethical—as essential for our business. We never stop looking for ways to be more productive, efficient, innovative and sustainable in order to deliver the best products and outcomes to our customers and shareholders.

Sustainability

Our commitment to sustainability drives us to minimise negative impacts and maximise value across our global operations to contribute to a better society.

Advance sustainably is a strategic priority for our company. We believe we can accelerate value creation by answering society's increasing demand for sustainable solutions, which will benefit both our company, our stakeholders and communities around the world.



Our sustainability strategy supports our strategic priorities through three pillars:

- 1 Sustain our operations, preserve our license to operate and grow our assets, creating sustainable value for the communities where we operate.
- 2 Enhance the value of our products through differentiation to improve our profitability.
- 3 Reduce risk, minimize negative environmental impacts, and improve our health and safety performance.



As a leader in the mining and metals industry, Alcoa has a strategic priority to advance sustainably and is a member of the International Council of Mining and Metals (ICMM).

Alcoa is the industry leader in the Sustainability Yearbook 2020, and was named the Aluminium Industry Leader in the 2019 Dow Jones Sustainability Index (DJSI).



What we do

Australia's first Energy from Waste facility is taking shape in the Kwinana Industrial Area, a significant national milestone for technology-driven waste processing and green energy generation.

The Avertas Energy facility is set to process 400,000 tonnes of Municipal Solid Waste under an agreement with at least eight Local Governments in the region. It will generate more than 38MW of electricity - enough to power circa 52,000 households.

Framework

The technology is well-established internationally, and local governments in Australia are becoming increasingly interested and knowledgeable of the science. Energy from Waste is part of the waste hierarchy, and - in conjunction with avoidance and reduction, reuse and recycling - supports government targets to divert waste from landfill and work towards carbon neutrality.



Future directions

During 2021 Construction has continued with significant increase in mechanical and electrical works and associated labour resources. All major equipment has been delivered and installed including the steam turbine generator. The profile of the plant has really started to take shape with completion of the structural steel framing. This will further develop with commencement of the architectural cladding and erection of the stack in the coming months.

For more information around the environmental impacts please see our factsheets which can be found on our website: www.avertas.com





BHP

Nickel powder bags heading to export from the Kwinana Nickel Refinery

What we do

About

Nickel West is a fully integrated mine-to-market nickel business employing over 2500 people.

All of our nickel operations are located in Western Australia.

At the Kwinana Nickel Refinery, we produce high quality nickel metal with 85 per cent of our product sold to the battery materials industry for manufacturing lithium-ion batteries that drive electric cars.

Our nickel sulphate plant, located at the Kwinana Nickel Refinery, is the first of its kind in Australia. It will produce over 100,000 tonnes of nickel sulphate, enough to make 700,000 electric vehicle batteries.

Our people

Our people are our most important resource and key to BHP's success. We are guided in all ways by our Charter Values and Code of Conduct.

We aim to provide a healthy, safe and inclusive workplace. We want all of our people to be treated fairly, respectfully and with dignity and feel safe to speak up.

We aim to achieve gender balance globally by CY2025.



Nickel sulphate crystals, produced at the Kwinana Nickel Refinery's new nickel sulphate plant.



Nickel powder is converted to nickel sulphate at the Kwinana Nickel Refinery.



Nickel sulphide exploration in the northern Goldfields

Investment

Supporting communities

BHP's \$50 million Vital Resources Fund was established in March 2020 to support regional communities deal with the impacts of COVID-19 across Australia.

In Western Australia, we supported a range of community services which came to over \$15 million in funding, including:

- \$2.66 million for the Telethon Kids Institute's on COVID-19 research
- \$2 million for the Royal Flying Doctor Service in Western Australia
- \$1.25 million for Foodbank
- Care packages sent to Traditional Owners in the northern Goldfields during COVID-19.

Framework

Business model inputs

Demand for nickel in batteries is estimated to grow by over 500 per cent over the next decade, in large part to support the world's rising demand for electric vehicles.

In July 2020, BHP announced the signing of a nickel supply agreement with one of the world's leading sustainable energy companies, Tesla.

Future directions

Our strategy

BHP's products are essential to global economic growth, improved living standards and the energy transition.

Nickel West is a future facing commodity in the BHP portfolio. BHP's pursuit of commodities like nickel will help support global decarbonisation and position us to generate long-term value for our business.

Sustainability

Nickel West is one of the most sustainable nickel producers in the world.

- Nickel West announced a power purchase agreement with the Merredin Solar Farm – the largest in Western Australia. The agreement will supply up to 50 per cent of the electricity needs at the Kwinana Nickel Refinery and 30 per cent of the electricity needs for the Kalgoorlie Nickel Smelter.

- Nickel West will also build a solar farm and battery storage system planned to power our nickel mining operations at Mt Keith and Leinster, located in the northern Goldfields.



Care packages sent to Traditional Owners in the northern Goldfields during COVID-19.



Merredin Solar Farm, Western Australia

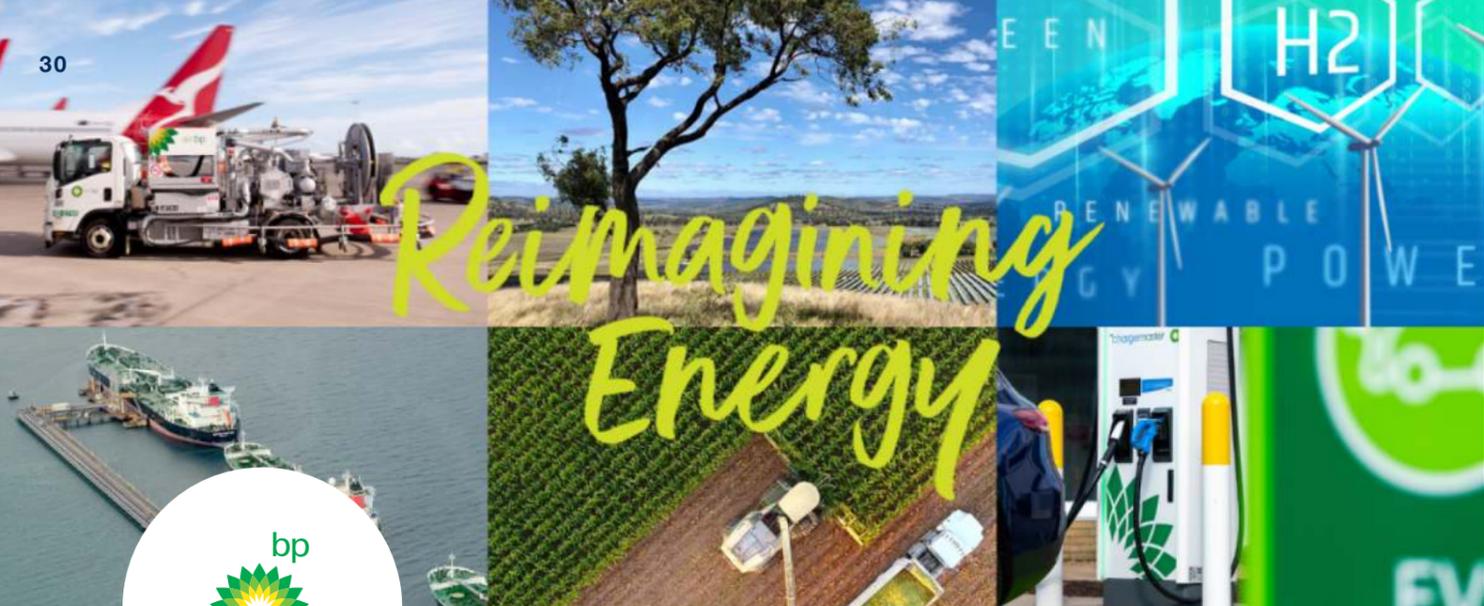


Photo taken by Lucas Pickering

What we do

Our purpose is reimagining energy for people and our planet, and our ambition is to become a net zero company by 2050 or sooner and help the world get to net zero.

We aim to be a very different kind of energy company by 2030 as we lead the energy transition. Essentially, we will have transformed from an International Oil Company to an Integrated Energy Company.

Building on our purpose, together with our beliefs about the future of energy systems and changing customer demands, we are focused on activity that will help deliver our net zero ambition and decarbonize the energy supply chains for our Australian customers.

Although we're part of a global business our team is proudly Australian. bp has proudly been a part of the Kwinana community for more than 65 years. We are transitioning our Kwinana site from its former operation as a refinery to an energy hub, including a fuel import terminal and clean energy opportunities.

Investment

We believe creating value for our stakeholders – society, employees, customers and shareholders is key to the long-term resilience and value of our business.

As we shift to an Integrated Energy Company, we will do so in a way that supports the communities in which we operate. For more than 100 years in Australia, bp has been active in the community – and we know our success is built on strong and prosperous communities.

We look to develop long-term strategic partnerships based on trust and mutual respect. These partnerships will help us drive progress, provide skills and expertise, and together with our stakeholders shape the future. In WA we are proud to have partnered Bibra Lake based native animal rescue organisation WA Wildlife (formerly Native Arc) for more than a decade.



Framework

Building on our purpose, together with our beliefs about the future of energy systems and changing customer demands, we are focused on activity that will help deliver our net zero ambition and decarbonize the energy supply chains for our Australian customers.

We will also perform while we transform, remaining committed to delivering for the millions of people who depend on us – our customers, partners, suppliers, employees and investors. And the cities and countries we work with.

Future directions

We aim to be a very different kind of energy company by 2030 as we lead the energy transition. Essentially, we will have transformed from an International Oil Company to an Integrated Energy Company.



What we do

About

Cockburn Cement Limited (CCL) is part of the Adbri portfolio and is a major producer of cement and the only lime producer in Western Australia. For 60 years, we have served the construction, engineering, infrastructure, and resource sectors in all states of Australia.

Over six decades, we have played a significant role in the development of Western Australia including supporting Perth's growing investment in infrastructure projects such as roads, railways, and bridges to meet the needs of our rapidly growing city.

Our operations span WA with manufacturing plants and depots across the state. We have evolved and diversified to meet the increasing demands of our customers, developing new and innovative products, and ensuring an efficient supply chain to meet infrastructure, project, and customer demands.

Our people

Our people are local people, people who are part of the community and understand where we can make the most difference. We are committed to helping build strong communities in the areas where we operate. Directly and indirectly, we support more than 2000 jobs, many of them in the region around our Munster Plant.

Investment

Supporting communities

Cockburn Cement has been a supporter of local community groups, charities, educational programs, and sporting organisations through its long-standing community investment program for many years.

Cockburn Cement is proud to continue its partnership with the KIC to support its important educational programs that invest in our local young people providing vital industry experience.



Building Diverse Talent

Cockburn Cement was once again proud to support the iWOMEN Project, an initiative of the Kwinana Industries Council (KIC), provides students with the opportunity to visit a range of industries and meet women in non-traditional female roles. As part of the term-long program, students attend workshops to build the skills and tools which will help them succeed when they enter the workforce.

Framework

Cockburn Cement takes pride in the sustainability programs we have developed and implemented across WA. We are committed to managing our impact on the environment and doing what we can to restore and rehabilitate where we operate.

More than 60 years ago the site for our Munster Plant was selected because of its proximity to high quality limestone and easy access to port, road and rail facilities for receiving raw materials and dispatching products.

Our activities include land-based rehabilitation programs, such as at our artificial wetland and revegetation programs. We also have a comprehensive set of marine focussed programs to support the preservation and protection of WA's unique marine environment.

We have successfully rehabilitated more than 35 hectares of land previously used for quarries. Since 2009, more than 300,000 seedlings have been planted across our site as part of revegetation programs. We also have waste management program in place to recycle paper products, plastics, glass, metals, and oils.



Future directions

Kwinana Upgrade

Adbri and Cockburn Cement Limited (CCL) announced the go ahead for the Kwinana Upgrade Project.

This \$199 million investment in a state-of-the-art facility will consolidate Adbri's two existing cement production sites (Munster and Kwinana) into a single operation servicing the Western Australian market.

The Kwinana Upgrade will showcase the latest technologies in cement production, with the plant featuring a lower carbon footprint with CO2 emissions projected to reduce by ~20% compared to existing operations.

It also eliminates the need for heavy vehicles on local roads, currently used to transport material for cement production between sites, improving overall amenity for the community.

The upgrade has a planned two-year construction period, and once operational in 2023, cement production will transition from CCL's Munster site to Kwinana. Lime manufacturing will continue to operate from the Munster site.

This investment demonstrates Adbri's confidence in the WA economy and the continued strength of the resources and infrastructure industries which are underpinning the State's recovery from COVID-19.

Sustainable Future

At Cockburn Cement we are committed to a sustainable future. A future where all our people go home safely, our customers are at the heart of what we do, our people and workplaces are inclusive, and where we grow value for our investors and communities whilst taking care of our environment and addressing climate-related impacts. This future is supported by our strategic pillars of safety, customer focus, inclusivity and sustainable growth that have been introduced to build a common culture and values across the organisation.





What we do

About
Coogee is a privately owned, proudly Australian, diversified company specialising in chemicals manufacture, bulk liquid storage and terminalling with dedicated logistics networks for a range of dangerous and non-dangerous goods. Our reputation is built on our ability to identify and pursue unique market opportunities where we can add value through the experience, capability, and technical expertise of our people. This year see's Coogee proudly celebrating our 50th anniversary during which we have grown from humble beginnings to the company we are today.

Investment

Coogee is currently going through a period of expansion and growth with investment in several exciting opportunities including;

- A UAN liquid fertiliser storage terminal
- A major upgrade to our caustic terminalling capabilities to help service the emerging lithium refining industry in Kwinana and WA.
- A ground breaking titanium powder production facility called TIRO.

Along with these new opportunities, Coogee is always investing in its existing operations and assets to ensure they are continually improving and are ready to meet the constantly evolving needs of our customers and community.

Future directions

Coogee strives for long term sustainable growth. Through safe and efficient operations of our existing plants and assets and the investment in new opportunities. Central to this is partnering with companies that in addition to having the right capabilities and complementary skill-sets, have an established culture of transparency and openness. We believe this approach drives mutual benefit in growth and further longer term opportunity. Coogee's capability and commitment allows us to meet the needs of its customers.



Community engagement

Coogee has been a long standing partner of KIC. We proudly support the local community, particularly the youth, through a range of KIC activities. These include the KIC Education Development Program where our employees engage with students from local schools on pathways to employment. As well as Youth Art Awards such as the LyriK program.



What we do

About

Wesfarmers Chemicals, Energy & Fertilisers' (WesCEF) is growing a portfolio of leading, sustainable businesses that operate in domestic, national and international markets. Each of our nine businesses is recognised as safe, reliable and innovative organisations that are leaders in their respective industries with a strong commitment to their customers.

Our businesses include CSBP Fertilisers, CSBP Chemicals (Ammonia, Ammonium Nitrate and Industrial Chemicals), Australian Vinyls, ModWood, Kleenheat, EVOL LNG, and our three joint ventures, Covalent, Lithium, Queensland Nitrates (QNP) and Australian Gold Reagents (AGR).

Wesfarmers Chemicals, Energy & Fertilisers is part of Wesfarmers Limited, one of Australia's largest publicly-listed companies.

Our people

People have always been central to our success; it's something we feel very strongly about, and it is why we invest in our people. If we don't develop our people then we can't continue to deliver on our growth journey – people are our greatest asset.

Across all our businesses we employ around 1,400 people - located in Western Australia, the Northern Territory and Victoria.



Investment

Supporting Communities

In 2021 Kwinana and Rockingham youth were empowered to take action to preserve their local coastal environment thanks to the CSBP Coastal Connection Challenge. Fifty students from schools and youth groups attended a two-day forum in March to identify opportunities in caring for local coastal areas. Participants then developed their ideas into action projects, presenting them to key community stakeholders in June.

Kleenheat partnered with Scitech to support Kwinana and Rockingham primary school teachers develop their understanding of the STEM (Science, Technology, Engineering, Mathematics) curriculum and produce practical STEM lesson plans.

Kleenheat and CSBP Fertilisers stepped in to support Kalbarri residents and nearby communities devastated by Cyclone Seroja in April with the donation of gas cylinders to evacuation centre residents, as well as organising employee volunteers to help rebuild fences on farms.

CSBP Fertilisers continued its long-running community grants program in regional Western Australia and sponsored an innovative study guide to attract and inspire a new generation into the Agriculture industry.

Framework

Our strategies



Safe Person, Safe Process, Safe Place
Our primary focus will always be the safety of our people – above everything else, and their mental health and wellbeing.



Diversity and Inclusion
We recognise and celebrate the benefits that diversity of our workforce, particularly gender balance and Aboriginal employee representation, brings to our mindset and decision making.

Human Rights and Ethical Sourcing
WesCEF's focus on ethical sourcing and human rights in FY21 has led to further development of its knowledge base and a clear operating framework.

On the path to net zero
WesCEF has set an aspirational target of net zero emissions by 2050 which we aim to achieve through investment in research and technology, renewable energy opportunities, ongoing energy efficiency improvements and partnerships with research institutions and industry.

Future directions

Growth

WesCEF will continue to work on opportunities to better utilise or expand its existing operations through targeted investments and the use of data and analytics.

Mt Holland Lithium Project
Wesfarmers, together with partner SQM, announced joint approval of the Final Investment Decision of the Mt Holland Lithium Project in February 2021. Covalent Lithium is the joint venture established to manage the construction and development of the Project. The Project's mine and concentrator are located at Mt Holland and the refinery in Kwinana. First production from the refinery is expected in the second half of calendar year 2024.





What we do

About

As Western Australia's largest maritime gateway for general cargo, Fremantle Ports plays a vital role in the State's economic growth and development.

A State-owned government trading enterprise, Fremantle Ports is responsible for managing this busy port according to its mandate under the Port Authorities Act 1999 to facilitate trade in an efficient and commercial manner.

The Inner Harbour at Fremantle handles almost all of Western Australia's container trade as well as non-containerised cargo such as motor vehicles, steel and machinery imports and livestock exports.

Investment

Fremantle Ports also owns and operates two key import and export facilities in the Outer Harbour at Kwinana, comprising Kwinana Bulk Jetty (KBJ) and Kwinana Bulk Terminal (KBT). These facilities support the import and export of a range of dry bulk and liquid bulk products including bauxite, petroleum and processing products, silica sand, gypsum, iron ore, building materials and liquid fertiliser.

These facilities are crucial to the supply chain for many existing and future industries.

Community engagement

Fremantle Ports supported 37 community programs that aligned with its four key areas of focus: community enrichment, education, environmental leadership and arts and culture. The support given reflects our priorities and values as well as community priorities identified through annual surveying and consultation.

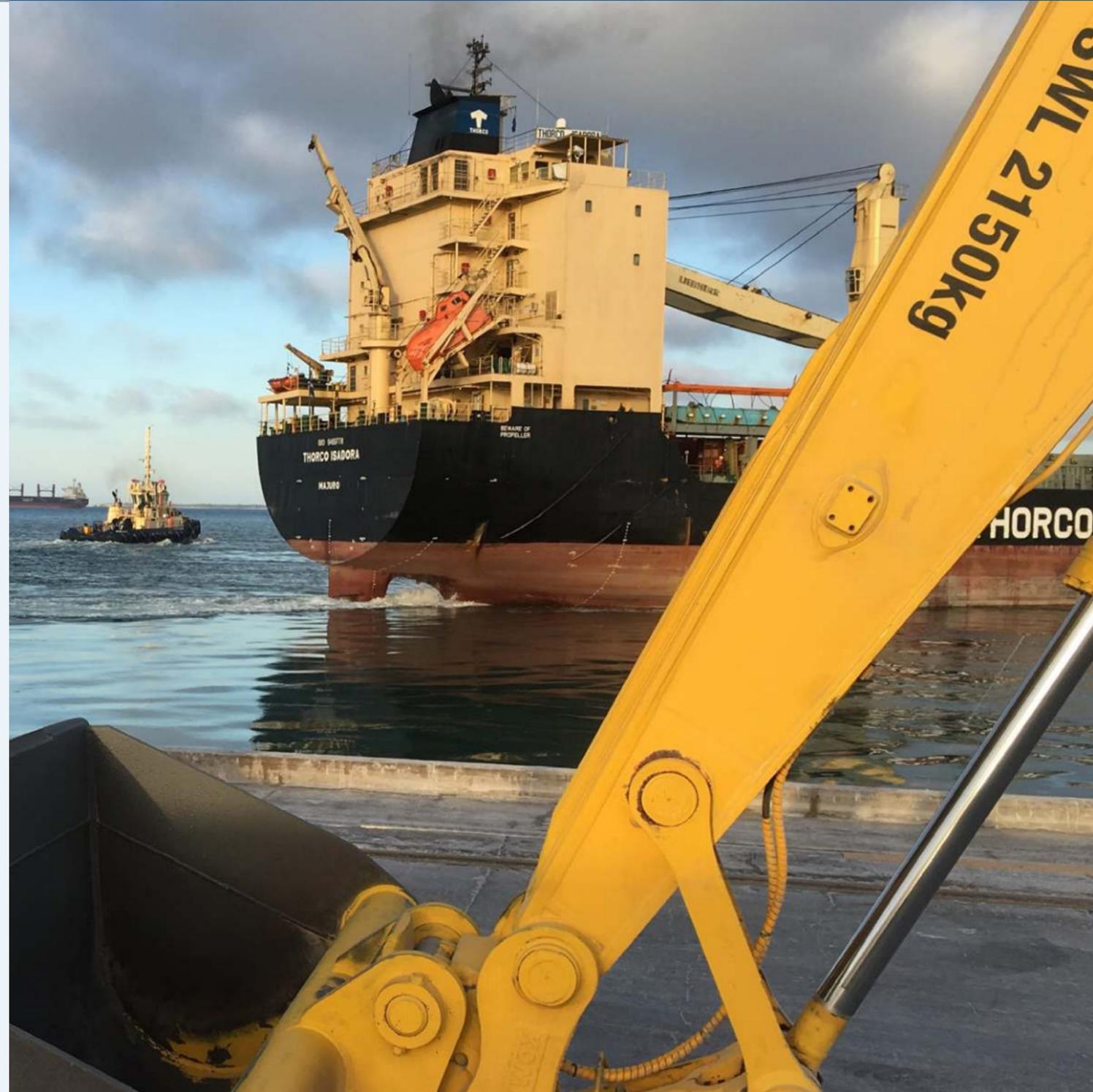
Future directions

We strive to support the economic, social and environmental aspirations of communities in which we operate, with a view to building sustainable futures together.

Fremantle Ports has built a strong reputation for being a trusted partner supporting projects and activities through its Community Investment Program in communities adjacent to its operations: Fremantle, Cockburn, Kwinana, Rockingham and surrounding areas



“Fremantle Ports has built a strong reputation for being a trusted partner supporting projects and activities through its Community Investment Program...”





What we do

About

As Western Australia's leading energy generator and retailer, Synergy is an essential and trusted provider of electricity and gas. Utilising our diverse energy generation portfolio, Synergy supplies reliable and affordable energy to more than one million residential and business customers.

We own and operate thermal power stations and renewable electricity generation facilities from Coral Bay in the north, to Kalgoorlie in the east, and to Esperance in the south. Our primary area of operation is across the electricity network known as the South West Interconnected System (SWIS).

Our people

Our people are committed to driving performance, as well as embracing new technologies and market opportunities. As one of the state's most essential organisations, Synergy continues to ensure its business is adaptive to the evolving energy landscape. Synergy supports working towards a smarter, more flexible and integrated electricity system for WA.

Investment

We will invest in our people, assets and technologies to make our generation assets more flexible, develop energy solutions and evolve our trading capability, while balancing essential system services needed for network stability.

As a proud supporter of the Kwinana region, Synergy and its predecessors have been part of the local industrial landscape for over 50 years. In FY2021-22, works continued on the construction of a new water treatment plant and a range of plant decommissioning activities at Kwinana Power Station and preparatory works for the state's first utility battery energy storage system.

Framework

The energy value chain is transitioning from a simple make and use system to a complex one, in which customers make, trade, store and use energy simultaneously. Our role is to connect and integrate solutions to meet the needs of all customers now and in the future.

Future directions

The rapid transformation of the energy sector comes with a range of challenges and new opportunities. As electricity generation continues to change from thermal to renewable energy - Synergy will play a significant role in maintaining a safe, secure and reliable supply for customers. With greater uptake of renewable energy at a household level, we are proactively bringing customer-focussed solutions to market and trialling new technology to minimise environmental impacts and help customers save money.



We will invest in our people, assets and technologies to make our generation assets more flexible, develop energy solutions and evolve our trading capability, while balancing essential system services needed for network stability.





What we do

About

Tianqi Lithium is a company that places the world's need for sustainable and renewable energy solutions at the heart of its brand. The company has constructed a lithium hydroxide plant in the Kwinana Industrial Area to meet rapidly growing global demand for rechargeable batteries driven primarily by the electric vehicle and energy storage system industries.

The Kwinana Plant, based on two individual production trains, will produce 48,000 tonnes of battery grade lithium hydroxide per annum to supply customers in Asia and Europe.

In June 2021, the company entered a joint venture with IGO Ltd, a West Australian mining company, under the company Tianqi Lithium Energy Australia Pty Ltd.

Our people

We believe that our people are the key to accomplishing our mission to produce the highest quality and most cost-effective lithium in the world. Their safety and health are our priority.

We have implemented vigorous protocols throughout the business in relation to HSE policies, awareness and education, PPE, on-boarding, pre-mobilisation checks and COVID-19 responses.

Investment

Supporting communities

Tianqi Lithium is an active partner in the Western Australian community making a significant contribution to the local community in Kwinana. Our Corporate Social Responsibility program has a high focus on improved educational opportunities for children with 90% of our programs delivered within the Kwinana area.

We encourage young people to pursue careers in industry through our support of Kwinana Industries Council Education Development Programs such as iWomen and iMen. We sponsor the WASO Crescendo Program in two local primary schools and Barking Gecko Theatre school excursions to performances at the State Theatre Centre of WA.

Framework

Business model inputs

Tianqi Lithium has implemented a vertically integrated battery-materials supply chain through its investments in the Talison Lithium Greenbushes lithium mine and the lithium hydroxide plant in Kwinana.

Reimagining energy

Battery powered electric vehicles are a key component in reducing greenhouse gas emissions and a symbol of global change. The Kwinana Plant produces battery-grade lithium hydroxide, an essential component in rechargeable batteries used in electric vehicles and stationery storage systems.

Future directions

Our strategy

Our primary focus is to produce high-quality battery-grade lithium hydroxide for the global battery materials market using innovative technologies developed over our significant history.

We are also working with various customers and developing markets for secondary products, such as aluminosilicate, produced during the lithium hydroxide production process.

Sustainability

We aim to be a leader in the sustainable development of the global new energy industry, supplying lithium hydroxide to the rechargeable battery industry.

In addition to improving awareness, a strong waste management and recycling system was established at the Kwinana Plant in Australia in 2020. Multiple recycling options were provided for employees including participating in Containers for Change.



“ We aim to be a leader in the sustainable development of the global new energy industry, supplying lithium hydroxide to the rechargeable battery industry. ”





What we do

About

Tronox mines and processes titanium ore, zircon, and other materials, to produce titanium dioxide (TiO2).

TiO2 is a vivid white pigment that adds brightness and durability to paints, plastics, paper and other everyday products.

With approximately 6,500 employees across six continents, including 1,200 in Australia, our rich diversity, and unparalleled operational and technical expertise, positions Tronox as the preeminent titanium dioxide producer in the world. We manage the entire value chain, from mine to market.

Our people

Our first priority is the safety and health of our people. Our Kwinana Pigment Plant is celebrating 30 years of operation in 2021. Today, 380 people are employed on site, of which 11% live within a 10km radius. We value a diverse and inclusive workplace, and invest in the success of our people, creating bright paths and brilliant futures for our team.



Investment

Although we are global in scope, Tronox operates with a local mindset. We have long and respectful relationships with the traditional custodians of the lands on which we operate. We are proud of our long-term community partnerships including the Fremantle Dockers AFLW, Western Shield, a robust apprenticeship and trainee program, ongoing university scholarships, and sponsorship of a wide range of local schools and community groups.

We believe encouraging STEM education from a young age (especially in girls) is critical in ensuring a bright and healthy future for Australian industry. To support this, we are continuing our long-term sponsorship of the Perth Zoo education program, KIC iWomen project, CME Inspiring Girls Forum, and the Women in Engineering project.

Every year at Kwinana, we spend approximately AU\$150 million on Western Australian supply contracts.



<p>Achieving carbon neutrality</p> <ul style="list-style-type: none"> 2025: 15% reduction in Scope 1 and 2 GHG emissions 2030: 35% reduction 2050: Carbon neutral 	<p>Zero waste to external dedicated landfills</p> <ul style="list-style-type: none"> 2025: 15% reduction 2030: 25% reduction 2050: Zero waste to external dedicated landfills 	<p>Achieving zero harm by building capacity in our people, plants and processes</p> <ul style="list-style-type: none"> Zero injuries Zero incidents Zero harm 	<p>Foster and build a workplace that reflects the communities in which we operate</p> <ul style="list-style-type: none"> Improve gender balance and diversity of our workforce Improve gender balance and diversity of leadership and succession planning
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Framework

- More than 60 years of local and global expertise in the chemical, mining, and manufacturing industries.
- Unparalleled operational and technical expertise across the value chain.
- Global footprint for a global industry operating with a local mindset.
- Specialist research and development centres allow our brightest minds to innovate and create products that change our world.

Reimagining energy

Tronox are committed to being a carbon neutral business by 2050. We are also committed to zero waste to dedicated external landfills by 2050.

Future directions

Our strategy

We strongly believe businesses like ours must operate both profitably and sustainably. These goals are complementary, not in opposition. Our commitment to sustainability supports our overall vision and strategy to be the world's leading vertically integrated TiO2 producer.

Sustainability

We are striving to deliver on our sustainability promises while continuing to drive shareholder value creation and essential products that support and help clean our world. How we think about sustainability focuses on four areas: Environment, Responsible Business, Employees, and Communities.



What we do

About

Water Corporation is the principal supplier of water, wastewater, drainage and bulk irrigation services in Western Australia to hundreds of thousands of homes, businesses and farms. Our purpose is the sustainable management of water services to make WA a great place to live and invest.

We manage \$38 billion of assets that support us in delivering water services across an expanse of 2.6 million square kilometres.

Investment

Supporting Kwinana industry and community

In the Kwinana area, we have a number of significant water and wastewater assets, which service surrounding industry and community.

The first large-scale plant in Australia, Perth Seawater Desalination Plant (PSDP) began producing drinking water in late 2006. PSDP can produce up to 45 billion litres of drinking water per annum.

Woodman Point Water Resource Recovery Facility (WPWRRF) is the largest water resource recovery facility in WA, servicing more than 900,000 customers in Perth's southern suburbs.

Kwinana Water Reclamation Plant (KWRP) takes secondary-treated wastewater from Woodman Point WRRF and applies further treatment to produce high quality, fit-for-purpose water to large industrial customers in Kwinana. Producing around 6 billion litres of water per annum, KWRP is an important contributor to sustainable water management through recycling.

Future directions

Sustainability in Industry

While the need for water in industry remains constant, water supply in Western Australia has changed significantly in recent times.

Due to climate change, we have seen an 80 per cent reduction in average streamflow into Perth dams compared to the 1970s.

Climate-independent water sources, such as desalination, groundwater replenishment and wastewater recycling, have been essential to maintain our way of life.

Industry in Kwinana is part of this diverse approach to help secure WA's water supply and reduce the environmental footprint.

Since 2004, Kwinana Water Reclamation Plant has produced around 80 gigalitres of recycled water, which is equivalent to around a third of Water Corporation's total annual supply to the Perth metropolitan area.

Recycling wastewater reduces the pressure on the potable supply and, in the case of KWRP, supplies industrial customers with higher quality water better suited to their operations.

The success of KWRP in meeting industry needs, and the growing demand for water in Kwinana, provides an opportunity for Water Corporation to explore expansion opportunities to further benefit Kwinana customers.

Water Corporation is currently in the early stage of scoping a project to investigate the viability of expanding KWRP, with a possible delivery forecast of the next three to five years.



Climate-independent water sources, such as desalination, groundwater replenishment and wastewater recycling, have been essential to maintain our way of life.





WORKING TOGETHER

Our Team

The KIC operates with a formal structure consisting of the Board, an Executive Committee, specialist committees, and KIC staff.

KIC Board

The business of KIC is overseen by a Board comprising a senior representative from each of the Full Member companies. The Board meets every two months and its role is to provide strategic direction for the KIC and make decisions that fall beyond the delegations of the Director.



Executive Committee

The role of the Executive is to provide advice and recommendations to the Board. The Executive meets routinely every two months and on additional occasions if there is urgent business to be conducted.

Committees

The majority of the work carried out by KIC transpires through its specialist committees:

- Environment Committee.
- Kwinana Industries Public Safety Group.
- Public Affairs and Communications Advisory Group.
- Infrastructure Planning Committee, as required.

Committee representatives are employees with appropriate experience, technical expertise and skill set, and authority from the full member industries. Members work voluntarily to improve industry operating practices, and KIC acknowledges the voluntary involvement of these delegates over the years.



EXECUTIVE COMMITTEE



Albert Romano
President



Dr Grant Lukey
Vice President



Annette Elliott
Vice President



Colin Powers
Vice President



David Zacher
Casual Director

— KIC staff —



Chris Oughton
Director



Yvonne Noack
Executive Assistant



Debbie Hoey
Education Development Officer



Kristy Clark
Administration Assistant



ENVIRONMENT COMMITTEE

Chair: Miranda Robinson (Tronox)

Committee Objectives

The Committee's objective is to provide technical information and advice, based on rigorous scientific research, in support of KIC's objectives, to proactively influence the community and government agencies on environmental and planning matters.

The areas of focus are:

- Maintenance and enhancement of buffer zone between industrial and residential areas.
- Regulatory liaison and engaging on draft legislation and guidelines.
- Industrial emissions including: liquid and solid waste; air; and noise.
- Surface and groundwater quality.
- Nutrient discharge into Cockburn Sound via historic groundwater contamination.
- Responsible use of water resources, including groundwater.
- Ongoing investigation and management of legacy waste issues.
- Visual amenity.
- Engage with government decision-makers to achieve preservation of the industrial buffer zone.

Achievements and Challenges

Buffer

In 2019 KIC re-lodged a Metropolitan Scheme Amendment to continue its efforts to have the buffer zone protected through the creation of a Special Control Area. We await the outcome of this process.

In the meantime, a statutory land use process entitled IP (Improvement Plan) 47 was initiated by the WAPC, and the focus of this process is the Mandogalup area. The process appears stalled.

The Minister for Planning in 2020 approved a residential subdivision in Wattleup that partly encroached on the buffer zone. In this instance, the developer had exhausted all statutory and legal avenues of appeal some six years ago, yet the Minister saw fit to approve the Application without prior announcement.

KIC has formed the view that the statutory planning process has a bias toward the residential property developers' interests.



Air Quality

Ambient air monitoring over many years has confirmed that all target pollutants within the Kwinana air shed are well below (better than) accepted health criteria. In particular, SO2 levels have reduced considerably over the last decade.

On previous occasions members have sought to have their environmental licences amended to reflect reduced emission profiles, however the Department of Water and Environmental Regulation (DWER) advised that a redetermination of the maximum permissible quantities of sulphur dioxide under the Environmental Protection (Kwinana) (Atmospheric Wastes) Policy (EPP) 1999 was required before this could be progressed. This review was successfully completed. Another review may be necessitated as a result of further emission profile changes.

More broadly, KIC's ultimate goal is to have the SO2 EPP removed completely as it is no longer relevant. Unfortunately the Regulator continues to entertain this.

Cockburn Sound

The latest 'State of Cockburn Sound' report confirmed in general terms, the health of the Sound remains good with environmental quality guidelines being consistently met for various monitoring parameters. However as in previous years, Jervoise Bay Northern Harbour, near Woodman Point, and Mangles Bay to the south continue to perform poorly across each of the five key marine health metrics.

Importantly, mapping has shown an increase in seagrass coverage as a whole, although there has been some thinning in parts, which makes it vulnerable to any future decline in water quality characteristics, such as temperature changes for example.

Water Supply

Water security remains a critical business risk for KIC members and there is increasing pressure on groundwater availability. Regional aquifers are fully allocated, meaning new industries do not have access to groundwater and must source more expensive water supply options, including the reliance on scheme water. It is probable that over time, existing groundwater allocations will be reduced or removed completely.

Some KIC members are actively searching for new water sources to meet long term needs and there is potential for collaboration in this area, however companies have varying degrees of urgency, making it difficult to generate a suitable level of interest to progress collectively.

The Water Corporation has indicated it has the capacity to materially increase its supply of KWRP process water.

Industrial Symbiosis

KIC has engaged Murdoch University to update the schematic showing industrial symbiosis in the Kwinana Industrial Area, focussing primarily on products and by-product synergy. The schematic was last updated in 2013.

An enhancement on previous versions is that the schematic will be recreated in an interactive digital platform. As well as allowing a degree of data interrogation, the digital platform will also make it easier to make regular amendments to the schematic as interconnections and synergies change over time.

Environmental Regulation

Regulatory reform continued during the year. KIC submitted comment on a number of discussion papers during 2020. KIC was pleased to receive DWER's consultation summary report on Waste not, want not: Valuing waste as a resource.

KIC will continue to work with members as required to present industry feedback on regulatory reform.

Noise

The KIC Cumulative Noise Model was reviewed in 2019 and reflects the current state. Data is available for use by member companies or organisations planning to move into the KIA.

Requests for data may be made through KIC.

Environmental Advisers Network Group

This forum provides an opportunity for Environmental Advisers in the industrial area to share information and experiences in dealing with issues that may be common for many of the industries in the area. The Group meets on a casual basis.

Environment Committee Chair

KIC welcomes Miranda Robinson from Tronox Kwinana to the Chairperson role. Miranda takes over from Tony Baker, BHP Nickel West Kwinana Refinery.





KWINANA INDUSTRIES PUBLIC SAFETY GROUP

Chair: Bob Gregorovich (WesCEF)

Committee Objectives

To address strategic public safety issues.

- Facilitation of communication between members, neighbours and the local community on any perceived or real threats to public safety.
- Ensuring that KIC member companies are managed at the safest practicable level.
- Maintaining a high level of preparedness to cater for any emergency event having the potential to threaten the safety and health of employees and adjacent industries.
- Ensuring that neighbours are aware of the appropriate responses and know how to respond to hazards from major hazard facility sites.
- Reviewing drafts or proclaimed legislation, regulations and similar codes, which could impact on major hazard facility sites and to give appropriate advice to management; and commenting to original source on regulatory impacts.
- Shared learnings and information to continuously improve the Members' process safety and operations.

Achievements and Challenges

2020-2021 continues to be challenging as a result of COVID-19. KIC members have proven to be resilient in ensuring the ongoing safe operation of their facilities while still ensuring continuous improvement and expansion activities progress. The following represent key achievements for 2020-2021.

Emergency Alert

Emergency Alert is fully implemented and functional to address community advice regarding potential dangerous and catastrophic events. Exercises and drills continue to be undertaken as a means of ensuring on-going effectiveness of the process.

KIMA Manual

The KIMA Manual is fully implemented with our Member organisations. Emergency response drills and engagement with Local Emergency Management Committees (LEMCs) has been undertaken in order to demonstrate its on-going effectiveness.

KIMA Route

The management of the KIMA route system is on-going with the alteration of route access points under constant review and an assurance process that requires complying and relevant signage. The KIMA route is audited by Member companies. LEMC's have also been active in increasing knowledge of the KIMA route.

Legislation Review

Currently KIC Members have three Acts in force that maybe applicable to them depending on the nature of their work activities: Work Health & Safety Act 2020; Dangerous Goods Safety Act 2004; and Petroleum Pipelines Act 1969.

Currently KIC Members have three Acts in force that maybe applicable to them depending on the nature of their work activities: Work Health & Safety Act 2020; Dangerous Goods Safety Act 2004; and Petroleum Pipelines Act 1969.

DMIRS Guidance Documents

The Department of Mines, Industry Regulation and Safety (DMIRS) held a forum in February 2020 to discuss draft guidance material covering Safety Report content. Feedback was provided by a number of member companies in order to have the guidance better reflect existing legislation. The draft guidance was subsequently released with minimal alteration. Ongoing development of guidance material is an important step for DMIRS, and KIC supports their development. Improved consultation and involvement of KIC member companies may have resulted in better and more acceptable documents. Subsequently, DMIRS released a number of guidance documents for MHFs, DG store and Pipelines. These include:

- Audits, review and continual improvement for major hazard facilities – guide.
- Development and submission of safety report – guide.
- Providing information to the community – guide.

Buffer Zone

Issues involving the buffer zone around the Kwinana Industrial Area are still sitting in the background. This will likely be an area of significant involvement over the next few months as industry attempts to ensure limitations are not imposed on their activities as a result of poor planning decision and future residential encroachment.

Shared Learnings

KIC facilitated a Shared Learning session in May 2021 covering a range of topics. Speakers from three Western Australian MHFs presented, with a wide and diverse audience participation. The April 2020 session was cancelled due to COVID-19 related issues. A further session in November 2021 is planned.

Bushfire

In January a bushfire started along Thomas Road, near the Kwinana Freeway. Fanned by easterly winds, the fire quickly spread west jumping Rockingham Road, rapidly moving through Development WA owned industrial lots towards established industry (Sims, Kleenheat).

DFES teams worked tirelessly to contain the fire, as did employees from surrounding industry ensuring the safety of their workplaces.

KIC facilitated and participated in not only the incident control activities, but also in a number of meetings with DFES and local Council representatives that we initiated. Adequate clearing and fire maintenance of bush land is a priority for KIC and industry. KIC continues to support local councils for land owners to be compliant with proper land management and fire notices.





PUBLIC AFFAIRS & COMMUNICATIONS ADVISORY GROUP

Chair: Vaninka Vittiglia (WesCEF)

Committee Objectives

To provide strategic advice to the KIC, and a link to member resources, in the areas of public affairs, communications and stakeholder engagement.

- Understanding stakeholders' perceptions of the Kwinana industries.
- Developing and implementing plans to influence stakeholder perceptions.
- Providing support and advice to the KIC strategic communications including issues management, media, community relations and stakeholder engagement.

Industry Working Together

The PAC group comprises Full Member company representatives. With a suite of government, communications and community specialists, members actively contribute to monthly meetings enabling the committee to provide advice and direction to KIC. Throughout the year PAC supported KIC activities to ensure a good common ground was maintained with key stakeholders by:

- continuing to build relationships with state and local government representatives;
- developing strategies to mitigate non-technical industry risks;
- promoting key industry activities;
- identifying relevant media opportunities and analysis of coverage; and
- supporting local corporate social responsibility initiatives.

Community

The KIC is committed to giving back to the communities in which all of its member companies operate. To this end, KIC continues to undertake social investment focussed on the communities in Kwinana and Rockingham.

Through this committee, KIC sponsors a number of environment, education, and community health and lifestyle initiatives. In the 2020/21 financial year KIC invested over \$40,000 into local activities.

KIC has the following sponsorships:

- The Koorliny Arts Centre, supporting their performance season and theatre events from talented and aspiring actors.
- The Cruising Yacht Club of WA, sponsoring their annual Cockburn Sound Regatta for sailing enthusiasts.
- The City of Kwinana's 2020 Kwinana Lolly Run, an annual tradition on Christmas morning. This event has been a part of the Kwinana community for the past 65 years. Families eagerly await the arrival of Santa through the streets.
- KIC partners with Street Hassle Events for the ever popular Rockingham Community Fair.
- KIC Youth Art Awards, showcasing a vibrant collection of various artworks from talented students attending the KIC's Partnership Schools.



Community Forum

The KIC holds regular Community and Industries Forums (CIF), the purpose of which is to provide the opportunity for industry, government representatives and community members to meet and share information regarding up-coming developments, projects or general site-specific updates.

LinkedIn

The Director provides insightful comment and feedback on various industry issues. Through this social media platform KIC is able to advocate on behalf of its members to a diverse audience.

Advertorials

Throughout the year KIC provided proactive industry information sharing via local media advertorials. The 'KIC Community Update' focusses on providing information related to KIC's involvement in topical industry issues, environment and community initiatives, education development program initiatives as well as member company key initiatives.

Industrial Area

The industrial area has welcomed new entrants into this multi-layered business sector during the past year. KIC continues to highlight the benefits of an industry protection area and this will continue to be a focus until a framework is in place that will ensure the security, prosperity and future growth of the industrial area for both industry, the community, and the thousands of workers.

Photo courtesy of Koorliny Arts.

The KIC is committed to giving back to the communities in which all of its member companies operate.





KIC FORUMS

KIC Women's Networking Forum

The Women's Networking Forum provides an environment for representatives from KIC member companies to network and receive information from guest speakers and peers. It continues to go from strength to strength with the number of attendees increasing at each Forum. Whilst the informative and great networking system is aimed primarily at women working in the KIA, more of our male colleagues are starting to come along and they have been warmly welcomed by attendees.

At the Forum held in May 2021 guest speakers Annette Elliott, Managing Director, Australia Tronox, and Susan Kreemer-Pickford, General Manager, Engineers Australia WA, spoke about their career pathways.

Feedback from attendees indicate they are eager to develop their networking and personal engagement skills, learn from the experience of others, share their stories, and develop their careers in industry. Meetings are now focused jointly on building the networks and professional development for the participants.

The Forums continue to be held every six months.



Human Resources Forum

This Forum provides an opportunity for Members to network professionally in their respective fields of management. Forums are scheduled twice a year and will continue in the future.



KIC EDUCATION PARTNERSHIP

KIC has a formal partnership with 17 high schools located in the Cities of Rockingham, Kwinana and Cockburn.

This is known as the KIC Education Partnership. KIC obtains formal feedback from the school Principals to help KIC enhance and develop programs that we deliver into the schools. The Award Winning programs are regarded as being highly successful, and have been carefully expanded over time, and within the same staff resource level.

The KIC Education Partnership continues to build and strengthen the connection between Kwinana industries and regional education providers through enhancing existing projects and continuing to explore further opportunities for mutual benefit. The Partnership acknowledges the involvement and the role both industry and education play in building the capacity of local students to take their place in the workforce.

KIC continues to work with Principals and Vocational Education and Training (VET) Coordinators from our Partnership schools to gain clarity on projects, programs and timing of activities within the schools to identify areas of mutually advantageous support.

We also work to reaffirm partner commitments and build reliance to assist with achieving the outcomes we have set as our targets.

The Principals Group continues to meet twice per term and the VET Coordinators Network Group convene once a term. During these meetings, updates on the KIC iProjects and KIC Career Pathways programs are provided by KIC's Education Development Officer. Meetings include sharing and exchanging ideas and initiatives to continue the excellence in the cooperative relationship that exists for the betterment of local students and the industries within the KIC.





KIC EDUCATION DEVELOPMENT PROGRAM

The KIC Education Development Program is about showing our Partnership high school students the types of careers available in industry and working with students in a practical sense as to how they might aspire to these careers. This is achieved through our Education Partnership we have developed with the region's high schools and industry members.

There are two streams under the Education Development Program; the first is the iProjects stream, and the second is the Career Pathways Programs stream. The structure of the Program is depicted in the table below. Summaries of the programs undertaken by students during the year are provided on the following pages.

iProjects (Year 10s)	Career Pathways Programs (Years 11 & 12)
Current projects	School Based Traineeships
iSCIENCE (Terms 1 & 4)	Metals and Engineering
iWOMEN (Terms 2 & 3)	
iMEN (Term 2)	
iDIVERSITY (Term 4)	KIC Pre-apprenticeships
iCONFERENCE (Term 4)	Heavy Diesel Plant Mechanic Pre-app
	Engineering Pre-app
	Female Engineering Pre-app





KIC iPROJECTS

A series of annual iProjects have been developed to promote career pathways into industry. All iProjects include industry site visits and provide an opportunity for students to further explore possible career pathways available in the Kwinana Industrial Area.

The iWOMEN, iMEN and iSCIENCE programs are endorsed by the School Curriculum and Standards Authority (SCSA). Successful completion of one of these iProjects, and attendance at the annual iCONFERENCE (culminating in a total of 55 hours) will provide the equivalent of 1 unit, being a C grade towards the WACE completion requirements. This will be reported on the student's WA Statement of Student Achievement issued at the end of Year 12.



Thank you

A special word of "thanks" to our Members who volunteer their time, share their knowledge and advice with the students about future career possibilities during the iProjects.

Thanks also to KIC's non-member organisations who support and participate in our suite of education programs.



Term 3 July/August 2020

**2020
PARTNERS**



**2020
SPONSOR**



The 2020 KIC iWOMEN Project commenced in March and due to COVID restrictions was postponed at the end of the first day. It was rearranged and held in July.

Thirty two Year 10 female students from the KIC Education Partnership high schools were selected by their schools to attend the seven day program. The purpose of the program is to give students an opportunity to explore and understand the types of industries in the Kwinana Industrial Area and look at career pathways they have never previously considered.

During the program the students visited KIC member companies Crushing Services International and Alcoa (Kwinana) Refinery where they were given site tours and the opportunity to meet and talk to employees who work in a range of industry roles. The students also visited the Construction Futures Centre at Belmont.

Alongside the site tours and excursions, students participated in a series of workshops including: producing a professional resume and portfolio; Health & Wellbeing, Bullying, Mental Health Prevention & Promotion; Preparing for interviews; Social Media; and Personal and Career Goals.

During the program, students had the opportunity to apply for a seven day full scholarship aboard the STS (Sail Training Ship) Leeuwin II based in Fremantle. The scholarship was presented to Jasmyn McGillan, Kolbe Catholic College.

Proud parents, family members, teachers and industry representatives attended the iWOMEN Presentation Evening to celebrate the graduating students.

We would like to thank the Partners of the 2020 KIC iWOMEN Project *Mineral Resources* and *Alcoa* together with the Sponsor, *Cockburn Cement*.



Term 3 August/September 2020

The 2020 KIC iMEN Project was held in July. Thirty two Year 10 students from the KIC Education Partnership high schools were selected by their schools to attend the seven day program. The purpose of the program is to give students an opportunity to explore and understand the types of industries in the Kwinana Industrial Area and look at career pathways they have never previously considered.

During the program the students visited KIC member company Crushing Services International for a tour of the Kwinana site and had the opportunity to meet and talk to employees who work in a range of industry roles. The students also visited the Construction Futures Centre at Belmont and participated in a half day of volunteering, planting trees and rehabilitation works at the KIC beach in Rockingham.

Alongside the site tours and excursions, students participated in a series of workshops including: producing a professional resume and portfolio; Health & Wellbeing, Bullying, Mental Health Prevention & Promotion; Preparing for interviews; Social Media; and Personal and Career Goals.

During the program, students had the opportunity to apply for a seven day full scholarship aboard the STS Leeuwin II based in Fremantle. The scholarship was presented to Robert Ritchie from Baldivis Secondary College.

Proud parents, family members, teachers and industry representatives attended the iMEN Presentation Evening to celebrate the graduating students.



Term 4 October/November 2020

**2020
PARTNERS**



Over seven days in October and November 2020, KIC held its iSCIENCE Project in partnership with Murdoch University. We would like to thank Murdoch University for their continued support of the program and the additional opportunities the partnership brings to students on the program.

Thirty two Year 10 students were successful in their application to join the program. These students are intending to follow ATAR Science, Math and/or Technology subjects during Years 11 and 12 and may consider entering University at the end of Year 12.

Students visited the Construction Futures Centre (Belmont) and Gilmore College Trade Training Centre where they participated in some STEM hands-on activities. Students spent a full day at Murdoch University, South Street Campus, where they participated in science activities and received information about career pathways.

Alongside the excursions, students participated in a series of workshops including: producing a professional resume and portfolio; Health & Wellbeing, Bullying, Mental Health Prevention & Promotion; Preparing for interviews; Social Media; and Personal and Career Goals.

During the program students had the opportunity to apply for a KIC scholarship for the ConocoPhillips Science week held in December. The program is designed to provide students with an opportunity to engage in a wide range of fascinating science activities under the guidance of scientists who love their work.

Thirty two students graduated the iSCIENCE Project on 9 November 2020.



Term 4 November/December 2020

2020 SPONSOR

The KIC iDIVERSITY Project is designed specifically for students with special learning needs. It aims to provide students with an overview of industry and information regarding career pathways.

This year Solenis came on board as the Sponsor and KIC would like to acknowledge and thank them for their support of the program and championing our local youth.

Fourteen Year 10 students, accompanied by their Education Assistants, participated in the six day program.

Students visited the Construction Futures Centre (Belmont) and participated in workshops including career pathways, and employability skills covering teamwork, dress code, communication and presentation skills.

Students also spent a morning volunteering at Native Plants WA (Rockingham) planting trees, mulching and weeding.

The program concluded with a presentation ceremony hosted by the students. KIC was delighted all students graduated the 2020 iDIVERSITY Project; we sincerely hope that the experience and information gained from the program will be of great benefit to the students.



Term 4 October/November/December 2020

The Bright Sparx Club is a partnership between KIC and Murdoch University. It is an After School Club for Year 9 students, held one night per week after school in Term 2 and 4 each year.

The program is for students with mid-level academic ability in Maths and Science. The purpose being to raise their confidence and aspirations while building their awareness of Science, Technology, Engineering and Maths (STEM) careers.

Over ten weeks, students participated in a range of STEM based activities including excursions to the Construction Futures Centre and Murdoch University's South Street Campus.

KIC coordinates the program and Student Ambassadors from Murdoch University facilitate the weekly activities. Industry representatives are invited to the Club to talk about their career pathways and offer advice to the students.

Eleven students graduated on 9 December at a presentation evening hosted by the students.

We would like to take this opportunity to thank Murdoch University for their continued support of the Bright Sparx Club.



iCONFERENCE 2020

Kwinana Industries Council

Term 4 November 2020

2020 PARTNER



2020 SPONSOR

TIANQI LITHIUM

In November 2020, KIC held its annual iCONFERENCE. Invitations were extended to all students who participated in the 2020 KIC iWOMEN, iMEN and iSCIENCE Projects. Around 110 students attended the full day conference held at Murdoch University South Street Campus.

The aim of the iCONFERENCE is for students to build on their learnings from their participation in their iProject, and take them one step further.

The KIC Director opened the event and welcomed students giving an overview of the planned activities and workshops for the day.

The iCONFERENCE is an annual event for students of the above iProjects. Attendance at the conference provides students with the last six hours required for accreditation towards their WACE.

ENDORSED PROGRAM BY THE SCHOOL CURRICULUM AND STANDARDS AUTHORITY (SCSA)

The iWOMEN, iMEN and iSCIENCE Projects are Endorsed Programs.

Attendance and successful completion of a seven day iProject (49 hours) plus attendance at the iCONFERENCE (6 hours) is a total of 55 hours which gives students a C grade towards their WACE.





CAREER PATHWAY PROGRAMS

KIC continues to assist schools in developing suitable school based VET pathway programs for students in the KIC Education Partnership.

School Based Traineeships (SBTs)

KIC is the direct employer of the School Based Trainees for the duration of their Training Contract.

KIC Metals and Engineering SBT

Qualification: Cert II Engineering

Students are enrolled full time at Gilmore College. They receive training one day per week at South Metropolitan TAFE (Rockingham Campus) and spend two blocks of five weeks (each year) in work placements. On successful completion of the Units of Competency at TAFE, and Year 12, trainees receive their WACE and a Certificate II in Engineering. Trainees are 'work-ready' and this reduces the time needed to complete an Apprenticeship in an associated industry. A decision was made by KIC and Gilmore College in late 2020 to cease the SBT program once the current Year 12 cohort complete the course. Students are due to finish in October 2021.



KIC Pre-apprenticeships

KIC Pre-apprenticeships programs are completed over two-years during Years 11 and 12, in conjunction with the student's school studies. Each program takes 16 students (max) per year. Students remain enrolled full time at their current school, and receive training one day a week (Fridays) at South Metropolitan TAFE (Rockingham or Thornlie Campus depending on the program). Students are required to undertake 110 hours of work placement each year during the program.

KIC Engineering Pre-apprenticeship

Qualification: MEM20105 Certificate II in Engineering

Course Outline: Students will develop trade-like skills and knowledge in a range of engineering and manufacturing tasks which will enhance their entry-level employment prospects for apprenticeships, traineeships or general employment in an engineering-related workplace. Some of the units of competency will articulate into an apprenticeship course in the metal trades areas, which may reduce the amount of time required to complete an apprenticeship.

KIC Female Engineering Pre-apprenticeship

Qualification: MEM20105 Certificate II in Engineering

Course Outline: For female students interested in gaining exposure to an engineering or trades related working environment with a view to entering into employment in that area. Students will develop trade-like skills and knowledge in a range of engineering and manufacturing tasks which will enhance their entry-level employment prospects for apprenticeships, traineeships or general employment in an engineering-related workplace.

KIC Heavy Diesel Plant Mechanic Pre-apprenticeship

Qualification: AUR20516 Certificate II in Automotive Servicing Technology Pre-apprenticeship (heavy diesel)

Course Outline: When students complete the Certificate II in Automotive Servicing Technology (Heavy Vehicle Servicing Pre-apprenticeship) they will have what employers are looking for in an apprentice heavy vehicle or plant mechanic. Students will have the skills and knowledge to work effectively in the heavy automotive industry - working on loaders, bulldozers, dump trucks and haul trucks, inspecting and servicing transmissions, steering, brakes, fuel injection systems, hydraulics, and batteries, troubleshooting basic faults, and workplace safety and health.



STAKEHOLDER LIAISON

Kwinana Industries Council continues to engage formally with elected government representatives, public sector regulators and authorities, private sector organisations, and the community.

The Director meets with key stakeholders and senior representatives on behalf of KIC. From time to time the President, Vice Presidents or a Committee Chair will accompany the Director.

KIC Representation

The Director represented KIC on several external committees and project working groups:

- Perth Air Quality Coordinating Committee
- Cockburn Sound Management Council (CSMC)
- Local, and South Metro Emergency Management Committees
- Rockingham Kwinana Chamber of Commerce
- Westport Taskforce Reference Group
- Improvement Plan 47 (IP47) land use planning for Mandogalup
- KIC's Education Partnership Schools

On behalf of its members, KIC coordinates the production of technical submissions where public comment is sought by Government.

Submissions during 2020 included the Department of Water and Environmental Regulation: Waste Not, Want Not: Valuing Waste as a Resource.

Advocacy

KIC advocated on the following issues:

- Political Donations Issue - KIC seven point plan to promote transparency and process reliability.
- KIC Mandogalup IP47 Feedback - Submission to Taylor Burrell Barnett, consultants overseeing the IP47 Mandogalup process.
- KIC White Paper - Western Trade Coast Governance.

Reports

- Enabling the Western Trade Coast Creating WA's World Class Industrial Destination – A Perspective from Industry (Regional Development Australia – Perth; September 2020).
- KIC Carbon Reduction Project (Phase 1) Report (EnWis; and Environmental Engineers International; June 2021).
- Kwinana Industrial Symbiosis Project 2020, draft report. (Kwinana Industries Council; and Murdoch University).

Communities & Industries Forum (CIF)

CIF - A forum for communication between industry, government departments and regulators, and the community.

The CIF has been operating for around 20 years. These Forums are coordinated through KIC with the aim of maintaining the bridge of understanding between local industries and the community. KIC continues to source presenters to speak on various topical issues for industry and the community.

The CIF promotes:

- Open communication between all stakeholders.
- Informed discussion of issues to identify the problem.
- An environment that fosters mutual respect and understanding.
- Trust and openness between industries, government agencies and the broader community.

Presentations

Forums are held twice a year. Presentations at the March 2021 Forum included

- Rockingham Waste to Energy Plant - A project update
- Kleenheat Kwinana Production Facility - Industry update
- Department of Fire and Emergency Services - Thomas Road January 2020 bushfire update
- EcoGraf - Project update





EXECUTIVE COMMITTEE REPORT

Your Executive Committee members submit the financial report of Kwinana Industries Council Inc. for the financial year ended 30 June 2021.

Committee Members

The names of Executive Committee members at the date of this report are:

- Albert Romano - President
- Grant Lukey - Vice President
- Annette Elliot - Vice President
- Colin Powers - Vice President
- Chris Oughton - Director
- David Zacher - Casual Director

Principal Activities

The principal activities of the Association during the financial year are as follows:

- to promote a positive image of Kwinana industries;
- to facilitate community access to Kwinana industries;
- to promote high standards of business ethics and practices;
- to promote and advance the common interests of Kwinana industries;
- to liaise with stakeholders in relation to the environment, public health, safety and industrial development, either as an association or on behalf of its members, to ensure cost efficiency and protection of members' interests;
- to detect, determine and collate data relating to the environmental emissions as a result of industry activity.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The loss from ordinary activities after income tax amounted to \$60,737 (\$151,129 profit in 2020).

Signed in accordance with a resolution of the Members of the Committee.

Albert Romano
President

Chris Oughton
Director

Dated this 21st day of September 2021



EXECUTIVE COMMITTEE STATEMENT

The Executive Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee:

- The special purpose financial report as set out on pages 3 to 11 presents a true and fair view of the financial position of Kwinana Industries Council Inc. as at 30 June 2021 and its performance for the year ended on that date; and
- At the date of this statement, there are reasonable grounds to believe that Kwinana Industries Council Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Executive Committee and is signed for and on behalf of the Committee by:

Albert Romano
President

Chris Oughton
Director

Dated this 21st day of September 2021



INCOME AND EXPENDITURE

Statement for the year ended 30 June 2021

	NOTE	2021 \$	2020 \$
INCOME			
Full Member Fees after Discounts		749,347	876,009
Associate Member Fees		136,154	135,715
Contributions		100,407	84,447
Recharges SBT's		990	3,669
SBT Subsidy		2,125	41,340
Interest		4,487	10,849
Awards		5,500	8,000
Grants		30,949	-
Other Income		37,996	67,045
Total Income		1,067,956	1,227,074
LESS: EXPENSES			
Accounting and Bookkeeping		17,038	13,823
Advertising		11,769	7,383
Audit Fees		2,700	3,210
Depreciation ROU Asset		20,376	-
Employment Expenses		600,599	565,067
Financial Contributions		-	1,240
Functions and Advocacy		5,881	25,063
General Expenditure		19,401	20,251
Insurance		26,697	18,357
Interest Expense		2,047	-
Meetings, Presentations		58,277	41,150
Monitoring		126,991	122,533
Office Equipment		1,328	-
Office Rent		7,843	26,893
Postage, Printing and Stationery		5,615	5,431
Professional Fees		138,619	92,763
Publications		6,263	5,191
Repairs and Maintenance		7,611	15,451
Sponsorships		37,097	90,123
Telephone		4,206	3,312
Website		27,133	13,799
Miscellaneous		-	1,950
Total Expenses		1,127,491	1,072,990
Surplus/(Loss) from Ordinary Activities Before Income Tax		(59,535)	154,084
Income Tax Expense	2	1,202	2,956
Surplus/(Loss) from Ordinary Activities After Income Tax		(60,737)	151,128
RETAINED SURPLUS AT THE BEGINNING OF THE FINANCIAL YEAR		184,746	121,692
Net Transfer (to)/from Reserves	9	99,577	(88,074)
RETAINED SURPLUS AT THE END OF THE FINANCIAL YEAR		223,586	184,746

The Income and Expenditure Statement should be read in conjunction with the accompanying notes.



ASSETS AND LIABILITIES

Statement as at 30 June 2021

	NOTE	2021 \$	2020 \$
EQUITY			
Retained Surplus	10	223,586	184,746
Reserves	11	847,899	947,476
TOTAL EQUITY		1,071,485	1,132,222
Represented by:			
CURRENT ASSETS			
Cash	3	1,295,897	1,261,129
Receivables	4	45,172	26,863
Income Tax Receivable		3,220	2,324
Other Assets – Deposits held		300	300
Total Current Assets		1,344,589	1,290,616
NON-CURRENT ASSETS			
ROU Asset - Office Lease	5	101,882	-
Total Current Assets		101,882	-
TOTAL ASSETS			
		1,446,471	1,290,616
CURRENT LIABILITIES			
Creditors	6	44,040	7,859
Tax Liabilities	7	2,220	10,240
Accruals		14,415	13,100
Income In Advance		66,692	-
Lease Liabilities - ROU	9	23,339	-
Provision - Annual Leave	8	63,678	55,476
Total Current Liabilities		214,384	86,675
NON-CURRENT LIABILITIES			
Lease Liabilities - ROU	9	80,133	-
Provision Long Service Leave	8	80,469	71,719
Total Non-Current Liabilities		160,602	71,719
TOTAL LIABILITIES		374,986	158,394
NET ASSETS		1,071,485	1,132,222

The Statement of Assets and Liabilities should be read in conjunction with the accompanying notes.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Executive Committee has determined that Kwinana Industries Council Inc. is not a reporting entity because in the Committee's opinion, there are unlikely to exist, users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These Financial Statements are therefore a Special Purpose Financial Report prepared in accordance with the accounting policies outlined in Note 1 to the financial statements solely to meet the requirements of the members of the Council.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (WA) 2015 and the following Australian Accounting Standards:

AASB 110 Events after the Reporting Period
AASB 16 Leases

No other applicable Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of noncurrent assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a. Income Tax

The Association adopts the liability method of tax-effect accounting whereby the income tax expense shown in the income and expenditure statement is based on the operating surplus before income tax adjusted for any permanent differences. Refer to Note 2 below.

Non-member income of the association is only assessable for tax, as member income is excluded under the principle of mutuality.

b. Property, Plant and Equipment

The Association currently expenses all capital purchases in the period in which the purchase occurred. This is consistent with the previous reporting period.

c. Provision for Employee Entitlements

The Association provides for annual leave entitlements accrued by employees plus the associated on costs. These are classified as a current liability.

Provision is made for long service immediately rather than when the employee becomes entitled to prorata entitlement, which is generally after seven years of continuous service.

d. Right-of-use (ROU) Assets

The Executive Committee has a lease for its office from the City of Kwinana.

Up to 30 June 2020, the Committee classified this lease as an operating lease as at the end of the previous financial year the lease only had less than two months until it expired.

A new lease was signed with the City of Kwinana on 28 July 2021 and commenced from 1 September 2020.

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

The Executive Committee has elected not to recognise right-of-use assets and lease liabilities for shortterm leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

For details of the Right of Use Asset Refer to Note 5.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in Note 9.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are generally depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term.

Right-of-use assets are tested for impairment when an indication of impairment is identified.

Depreciation charge of right-of-use assets

a. The statement of comprehensive income shows the following amounts relating to leases:

	2021	2020
	\$	\$
Office Lease	20 367	-
Total right-of-use asset depreciation	20 367	-

Lease interest expense reported in the \$2,047

e. Lease Liabilities - ROU

The Executive Committee measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Board uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Committee as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the Board exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Board if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Board in profit or loss in the period in which the condition that triggers those payments occurs.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

Refer to Note 9. This section should be read in conjunction with note 5.

NOTE 2: INCOME TAX EXPENSE

	2021	2020
	\$	\$
Prima facie tax payable on operating surplus/(loss) before income tax at 27.5%	-	42,373
Add Back: Tax effect of non-taxable member income and expenses arising from the Principle of Mutuality	1,202	(39,777)
Income tax expense	1,202	2,596

NOTE 3: CASH ASSETS

Bank Account	594,979	561,129
Term Deposits	700,917	700,000
	1,295,896	1,261,129

NOTE 4: RECEIVABLES

Trade Receivables	45,172	3,377
PAYG - Cashflow Boost	-	16,654
GST Receivable (Net)	-	6,832
	45,172	26,863

NOTE 5: RIGHT-OF-USE ASSETS - OFFICE LEASE

Right-of-Use Asset - Office Lease	122,259	-
Accumulated Depreciation - ROU Asset	(20,377)	-
	101,882	-

NOTE 6: CREDITORS

Trade Creditors	44,040	7,859
	44,040	7,859

NOTE 7: TAX LIABILITIES

	2021	2020
	\$	\$
GST Payable	2,220	-
PAYG Payable	-	10,240
	2,220	10,240

NOTE 8: PROVISIONS

Current		
Annual Leave (Including 10% superannuation on-costs)	63,678	55,476
Non-Current		
Long Service Leave (Including 10% superannuation on-costs)	80,469	71,719

NOTE 9: LEASE LIABILITIES - ROU

Current	23,339	-
Non-Current	80,133	-
	103,472	-

NOTE 10: RETAINED SURPLUS

	2021 \$	2020 \$
Opening Balance 1 July	184,746	121,692
Transfer from Reserves - (Refer Note 9):		
Administration	115,000	182,761
Air Quality	30,000	35,000
Noise	1,000	16,000
Marine	60,000	50,000
Planning & Buffer	28,335	50,000
Public Affairs Group	15,000	25,000
Public Safety	23,000	25,000
Workforce and Education	30,000	40,000
Transfer from Reserves - (Refer Note 9):		
Administration	(11,495)	(109,887)
Air Quality	(10,202)	(42,084)
Marine	(104,130)	(181,599)
Noise	(148)	(13,472)
Planning & Buffer	(-)	(22,722)
Public Affairs Group	(27,119)	(46,757)
Public Safety	(18,413)	(23,216)
Workforce and Education	(31,251)	(72,598)
Net Transfer (to)/from Reserves	99,577	(88,074)
Current Year Surplus/(Loss) after Income Tax	(60,737)	151,128
Closing Balance 30 June	223,586	184,746

NOTE 11: RESERVES

	Opening Balance 1 July 2020 \$	Transfer from Retained Surplus \$	Payment from Reserve \$	Transfer to Retained Surplus \$	Closing Balance 30 June 2021 \$
Reserve					
Administration	242,269	11,495	-	(115,000)	138,764
Air Quality	212,638	10,202	-	(30,000)	192,841
Marine	155,838	104,130	-	(60,000)	199,967
Noise	56,351	148	-	(1,000)	55,498
Planning & Buffer	43,336	-	-	(28,335)	15,000
Public Affairs Group	87,487	27,119	-	(15,000)	99,606
Public Safety	25,619	18,413	-	(23,000)	21,033
Workforce and Education	123,938	31,251	-	(30,000)	125,190
TOTAL Reserves	947,476	202,758	-	(302,335)	847,899

NOTE 12: EXPENDITURE COMMITMENTS

Kwinana Industries Council has entered into expenditure commitments with external parties over more than one reporting period. We have summarised the material commitments under these contracts below:

- City of Kwinana**
 Annually-considered sponsorship of \$10,000 for an Event (City of Kwinana Lolly Run, December 2020).
- Street Hassle Events**
 Annually-considered sponsorship of \$5,000 to Street Hassle Events for the City of Rockingham Fair.

 The Community event scheduled for November 2020 was cancelled due to COVID.

 KIC did not provide sponsorship during 2020-21.
- KIC Youth Art Awards**
 Annually-considered sponsorship of \$5,000 for an Event (scheduled in March 2021).
- The Cruising Yacht Club of WA-Sponsorship of Cockburn Sound Regatta**
 Three year partnership agreement expired 30 June 2020.

 A new one year agreement was initiated from 1 July 2020 (due to inability of the Public Affairs & Communications Advisory Group to meet due to COVID) for \$5,000 per annum being for December 2020 event.

 A new three-year agreement has been issued from July 2021 for the 2021, 2022, and 2023 January to December calendar year.
- Koorliny Arts Centre Incorporated - Sponsorship of the Performance Season***
 Three-year agreement expired 30 June 2020. Funds allocated to 2020 were unspent as performances were cancelled due to COVID. Funds were carried forward for use in 2021.

 A new two-year agreement has been issued in 2021 for the 2022 and 2023 Performance Season, being the January to December calendar year, for \$10,000 per annum (\$20,000).
- Perth NRM - Sponsorship of CoastCare in the KIA Program**
 Three-year partnership agreement (\$30,000) expired 30 June 2020. The agreement was not renewed.
- Native Plants WA (Formerly Men of the Trees)**
 New three-year partnership agreement issued 1 July 2021 for 2021-22, 2022-23, and 2023-24 (for \$5,000 per annum (\$15,000)).
- Seeds For Snapper**
 New three-year partnership agreement issued 1 July 2021 for 2021-22, 2022-23, and 2023-24 (for \$5,000 per annum (\$15,000)).

 The commitments remaining from the above at the reporting date can be summarised as follows:

	2021		2020	
	Cash	In Kind	Cash	In Kind
	\$	\$	\$	\$
Less than 1 year	45,000	-	20,000	-
Between 1 and 5 years	40,000	-	25,000	-
Greater than 5 years	-	-	-	-
	85,000	-	45,000	-

NOTE 13: COMPARATIVES

Where necessary, comparative information has been amended to facilitate comparison.



BUSINESS
CONSULTANTS

**INDEPENDENT AUDIT REPORT
TO MEMBERS OF KWINANA INDUSTRIES COUNCIL INCORPORATED
AS AT 30 JUNE 2021**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Kwinana Industries Council Incorporated which comprises the income and expenditure statement for the year ending 30 June 2021, the statement of assets and liabilities as at 30 June 2021, a statement of significant accounting policies, other explanatory notes and the Executive Committee Statement.

The Responsibility of the Executive Committee for the Financial Report

The Executive Committee of the Kwinana Industries Council Incorporated is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the constitution and are appropriate to meet the needs of the members. The Committee's responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Council's financial reporting under the constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

CERTIFIED PRACTISING
ACCOUNTANTS

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LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

KWINANA INDUSTRIES COUNCIL INCORPORATED

Independent Audit Report to Members

Special Purpose Financial Report for the Year ended
30 June 2021

2020
GLOBAL

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report on pages 2 to 11 gives a true and fair view of the financial position of Kwinana Industries Council Incorporated as of 30 June 2021 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting.

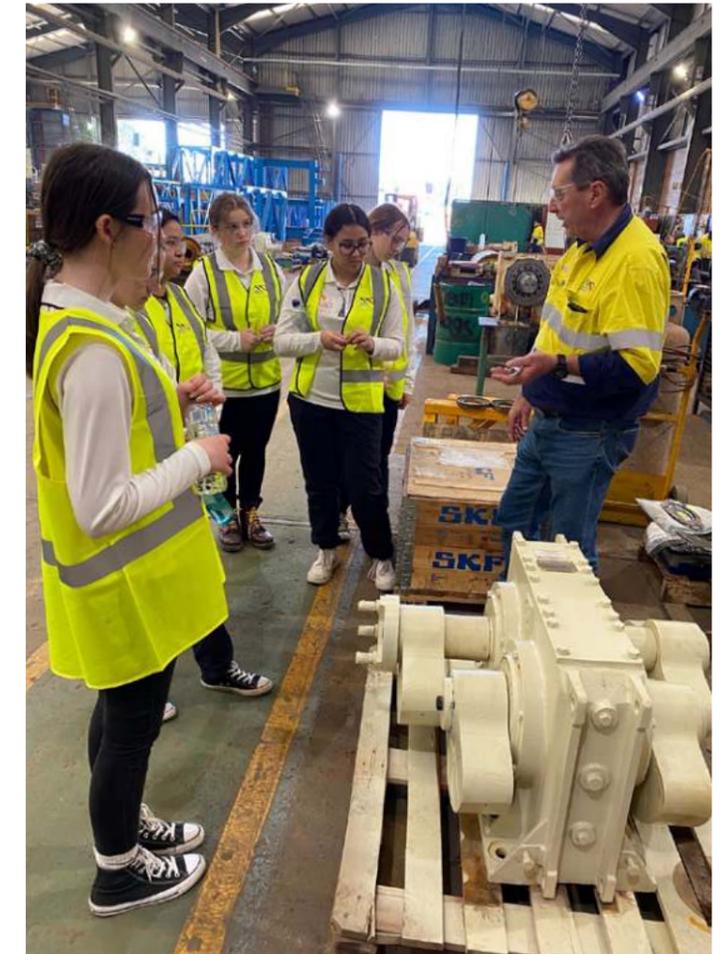
The financial report has been prepared to assist the Kwinana Industries Council Incorporated to meet the requirements of the association's constitution and the *Associations Incorporation Act 2015* (WA). As a result, the financial report may not be suitable for another purpose.

2020 Global Pty Ltd

**Bruce Donald
Director**

Dated this 22nd Day of September 2021

2021 KIC INDEPENDENT AUDIT REPORT





Kwinana
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