



Chris Oughton, Director KIC

As simple as flicking the switch to off. Right? Wrong.

We are living in a much-changed community, and that is for sure. I want to share with you a few things that are happening for industry.

Industries on the Strip are essential to the well being of the State. How so?

We were alarmed about four weeks ago, gosh that sounds like ages ago looking back on it, with the possibility of individual companies on the Strip being closed down by the government's virus response team. Perhaps they would decide, that if an outbreak happened in one of the communities from which many of industry's workers live, that employees would be confined to their homes and couldn't get to work. This was a real and fundamental threat to industry not being able to carry on.

Some of you may think that it was not really an issue? Yes it was, and that's what I want to share with you.

I was fortunate to gain access to the Premier's Pandemic Coordination Unit, the PCU, early on in the process. They listened when I explained how interconnected the industries on the Strip were. They understood.

I talked about how important to the water supply in the State that we continue to have chlorinated water piped into our homes. Obviously, the Water Corporation is responsible for ensuring this good quality is produced and delivered. But where

does the chlorine come from?

Well, one of the companies, the Chlor-Alkali plant on the Strip manufactures it, for all sorts of industrial processes, only one of which is to provide chlorine to our water provider. Call this the up-stream process chain. Can this company make the product on its own? Well no, it needs the supply of bulk steam to be provided to it, and this comes from a neighbouring company. That company is a major exporter of an unrelated exported commodity and its' production process produces steam as a by-product. That steam could be vented to the air, but it isn't. This product is provided to its neighbouring company so that company can manufacture the chlorine.

So, if the company generating the steam has to shut down, the supply of chlorine stops. Why would it shut down? Well if a suburb went into a quarantine lockdown and the workers couldn't get to work, the process chain stops, and this could ultimately affect supply of our drinking water. Not good. There are 30,000 workers, direct and indirect, that attribute their jobs to the companies in the Strip. Two thirds of them live within 15kms of their workplaces. You can see that closing down a suburb close to industry could have a major effect on the ability of their workers to get to work.



There are some who think 'turning off' an industry on the Strip is like turning off a light. Flick the switch to off, right? Wrong. Some of these plants take one to two weeks (and more) to wind down to the point where production ceases, safely, and it can take twice as long to bring them back up to normal production, again, safely.

Even if a company is to be shut down because too many of its workers are quarantined to stay at home, there are still skilled workers required to 'babysit' the dangerous chemicals that remain on the site – chemicals that have to be kept at certain temperatures and pressures so they remain safe.

OK, back to the company that makes the steam (as a by-product). To make the steam, its production of the main

product needs to be maintained – no production equals no steam. This company therefore needs to keep its production processes operational. They have mine sites in the Midwest that supply the raw materials, so there is an active mining and a trucking operation to deliver the raw materials to Kwinana. How might transportation restrictions affect this? What if border restrictions within the State stopped the supply to Kwinana? The ultimate answer to this question is quite simply, the supply of water to your house may be affected. Oh yes, and if no fuel is being produced or transported because of similar restrictions, then even if the chlorine is produced, can it be transported – around the State?

A scenario similar to this exists for oxygen for hospitals and nursing homes, and there are many other

examples.

I've outlined the interconnectedness of industry in Kwinana to you as I did to the Premier's PCU. They listened, and to their credit they acted, and promptly. So 'hats off' to them. I was quickly able to reassure KIC members on 'The Strip' that our concerns had been heard.

The Kwinana Industrial Area is literally the world's best practice example of industrial symbiosis at work. This is where an output of one company is an input for another, and it is something that we are very proud of.

In these difficult times that are upon us, we hope that you stay well, stay patient, and stay appropriately connected to those you care about.



Tronox – Not just bright, it's brilliant.



The Tronox Kwinana Pigment Plant has been a community neighbour in the Kwinana Industrial Area for nearly 30 years.

Tronox is a titanium dioxide (TiO₂) producer. The vivid white pigment that we produce adds brightness and durability to paints, plastics, paper and other everyday items. We are vertically integrated, meaning we manage the whole value chain – we

mine and process mineral sands, produce TiO₂ pigment, manage the supply chain and market directly to our customers.

All of Australia's capacity for TiO₂ production comes from Tronox's WA operations, and the Kwinana Pigment Plant accounts for about 58% of that. Altogether, we export 214,000 tonnes, with 23,000 tonnes sold within Australia. If you've recently painted your house, it's likely that you have TiO₂ pigment from Kwinana on your walls!

In April 2019, Tronox integrated with Cristal to create the one of the world's largest titanium dioxide producers. We now have

operations on six continents and 7000 global employees, with 1300 employees across Australia. Our Western Australian operations include mines, separation plants and pigment plants, spanning from Cooljarloo to the north, all the way to Wonnerup in the south of WA.

Although we are global in scope, Tronox operates with a local mindset. We are a proud employer of community residents (the vast majority of our 370 employees at Kwinana live in the local catchment). We also have many long-term community partnerships, including the Fremantle Dockers AFLW, Perth Zoo, a robust apprenticeship and traineeship program, university



Annette Elliott, KPP Site Director, with the 2019 graduates of the KIC Bright Sparx program which Tronox proudly sponsored.

scholarships, and we sponsor several local schools, sporting clubs and community groups.