

AkzoNobel Community Forum 4 March 2021
Independent Report of Outputs



A note from the Facilitator

Kismet Forward was engaged by AkzoNobel to facilitate a community consultation forum held on 4 March 2021 and to prepare an *independent* summary of what took place. Significant effort has been made to accurately reflect the contribution of people who took part in this consultation. The feedback by its nature is subjective and not always consistent. It cannot *necessarily* be construed to be an accurate reflection of the weight of broader community or stakeholder opinion.

We have made every effort to ensure that all community questions raised before and during the forum have been completely answered. This has involved follow up with AkzoNobel and EPA Victoria. Where we feel that a question requires further work, a note has been made, and Kismet Forward will continue to follow the matter up with the relevant party.

No fact-checking of information has been undertaken.

In line with our independent status, none of the opinions expressed in this document is necessarily the view of its authors. No responsibility or liability can be taken for errors or omissions, or in respect of any use of or reliance upon this report by any third party.

Abbreviations used in this document

AN	AkzoNobel
EPA	Environment Protection Authority Victoria
KF	Kismet Forward
Notice	Pollution Abatement Notice
RTO	Regenerative Thermal Oxidiser
SAPAG	Stop AkzoNobel Pollution Action Group
SEPP	State Environmental Protection Policy
VOCs	Volatile Organic Compounds

Forum facilitated and report prepared by Jennifer Lilburn (jen@kismetforward.com.au) and Kylie Cirak, Tiger Grace Consulting

Kismet Forward provides specialist advice and support in the areas of community engagement, facilitation, conflict management coaching, program logic, strategy, evaluation, training and project management.

Further information can be found at www.kismetforward.com.au

Table of Contents

Executive Summary	4
1. Introduction and background	5
2. Methodology.....	5
2.1 Invitations and participation	6
2.2 This report.....	7
3. Who contributed feedback	7
4. What we heard: Issues and Concerns	8
4.1 Odour.....	9
4.2 Noise	19
4.3 General health	23
4.4 History of impacts on community.....	24
4.5 Compliance	28
4.6 Restoration and commitment.....	32
4.7 Forum dissatisfaction.....	33
4.8 Other.....	34
Appendix: Conference Agenda	38



Executive Summary

AkzoNobel is a global paint manufacturer with a Sunshine North based facility that has been in operation for 65 years.

From January to June 2020, community complaints to the Environment Protection Authority Victoria (EPA) regarding odour and noise emitted from AkzoNobel Sunshine increased roughly four-fold.

An online community forum, held on 4 March 2021, provided an opportunity for 29 community members to raise and discuss concerns and feedback about AkzoNobel's operations in Sunshine North.

All points and questions raised have been documented in this report.

There was considerable concern about odour emitted from AkzoNobel and the nature of its chemical composition. Potential impacts on human health from this exposure is causing anxiety.

AkzoNobel provided a timeframe for the remediation of these concerns.

Noise from AkzoNobel was reported as unacceptably loud, and forum participants described negative impacts on their physical and mental wellbeing.

AkzoNobel stated that measures are in place to mitigate these concerns.

There was also a call for the EPA to impose stricter monitoring of odour and noise emission limits and impose penalties. There was a belief among some that AkzoNobel operations should cease until the noise and odour issues are remedied.

The EPA described its Compliance and Enforcement Policy and the escalation of actions that are undertaken.

Some community members described distrust in AkzoNobel based on historical issues, reporting that their concerns regarding odour and noise date back at least ten years. There was a perception that AkzoNobel and the EPA have a history of inaction regarding community members' concerns.

AkzoNobel has stated that it wants to be a good neighbour and regain community confidence that its operations will not cause negative offsite impacts. It is committed to resolving the current noise and odour issues and sustaining effective community engagement and relationships

The online community forum held on 4 March 2021 is the first of a number of planned community engagement activities, with future meetings to take place in a more interactive Zoom meeting format or in person.



1. Introduction and background

AkzoNobel is a global paint manufacturer with a Sunshine North based facility that has been in operation for 65 years.

From January to June 2020, community complaints to the Environment Protection Authority Victoria (EPA) regarding odour and noise emitted from AkzoNobel Sunshine North increased approximately four-fold¹.

A local community group comprising 120+ members, Stop AkzoNobel Pollution Action Group (SAPAG), believes that the current round of concerns regarding odour and noise is the latest in an ongoing series of issues dating back at least ten years².

AkzoNobel wants to be a good neighbour and regain community confidence that its operations will not cause negative offsite impacts. It is committed to resolving the current noise and odour issues and sustaining effective community engagement and relationships³.

The online community forum held on 4 March 2021 was the first of many AkzoNobel community engagement activities to open constructive dialogue with concerned community members.

¹ Pers.comm, EPA Victoria, Western Metropolitan Region

² Pers.comm, SAPAG Committee

³ As per documents at <https://www.akzonobel.com/en/countries/Australia>

2. Methodology

A face-to-face public forum was deemed too risky due to changing Covid-19 restrictions. Instead, a Zoom Webinar community forum was held on Thursday, 4 March 2021, 6.30 – 8.30pm.

AkzoNobel developed fact sheets about odour and noise, which were edited in response to community feedback. The fact sheets were sent to everyone who registered to attend the community forum, posted on the EPA website, and sent to the Stop AkzoNobel Pollution Action Group, making them available to community members before the community forum. They have since been added to a new AkzoNobel web page at <https://www.akzonobel.com/en/countries/Australia>.

Attendees were required to RSVP online and were invited to raise questions for AkzoNobel or the EPA as part of the registration process. Community forum attendees were able to ask additional questions via the Q and A function of the online meeting.

Representatives of AkzoNobel, Golder Associates⁴ and EPA were present at the community forum to provide information, answer questions and listen to feedback.

⁴ Golder Associates were engaged to undertake odour monitoring, with results due for public dissemination by 25 March 2021. Their representative was present at the forum to explain the monitoring process.



2.1 Invitations and participation

The online community forum was advertised via the following methods:

- AkzoNobel distributed 800 invitations to nearby residents' letterboxes
- Brimbank City Council posted the event on its website and forwarded the invitation to Councillors and relevant staff
- An invitation was sent to SAPAG with a request to post it on their Facebook Group
- An advertisement was placed in the *Brimbank Star* 2 March 2021 edition
- EPA shared information about the forum on its social media, and Brimbank City Council was asked to do likewise.
- Invitations were sent to all people who had lodged a pollution report about AkzoNobel to EPA

The count of 29 community included a journalist from *Northern Star Weekly* and staff and councillors from Brimbank City Council. An attendee from Australian National University attended as an observer to inform a restorative justice project being undertaken.

Other attendees (not included in the participant count of 29) included:

- AkzoNobel: Peter Black, Site Manager, Raymond Jreige, Health Safety Environment and Security Manager, Angela Tan, Director of Communications, South East & South Asia, Australasia.
- EPA Victoria: Stephen Lansdell, Western Metropolitan Regional Manager, Sam Sparks Senior Environment Protection Officer, Janine Dridan, Stakeholder Engagement Advisor and David Muldoon.
- Golder Associates: Cameron McNaughton, Principal Air Quality Consultant.
- Forge Communications: Scott Thomson and Amy Watson.
- Independent facilitators: Jen Lilburn and Kylie Cirak.

The registration process revealed that

- 19 community participants heard about the forum by social media (likely to be via the SPAG Facebook Group)
- Ten people knew about the forum because someone told them about it
- Eight had received a leaflet in their letterbox
- Three were informed by EPA staff or via the EPA website
- Two were notified by SAPAG
- Two by a local Facebook group (possibly to be added to the 19 mentioned above)
- One heard about the forum because 'it is an issue' and another 'smelt it.'



2.2 This report

The key output of the forum is this report documenting the questions and discussions that took place.

Attendees were required to RSVP online and were asked to list any questions for AkzoNobel or the EPA. These questions are indicated in this report by an asterisk *. Questions and comments made during the forum are not asterisked; all questions are numbered. Duplicated or very similar points have been consolidated, and points have been grouped under themes.

Slides presented by AkzoNobel and EPA have been placed in the report where relevant.

Responses from AkzoNobel (AN), EPA, or Kismet Forward (KF) are indicated. Whether the response was provided during the forum or drawn from the AkzoNobel Fact Sheets is also noted. All meeting responses were transcribed and sent to AkzoNobel and EPA staff to check for accuracy. Any additional information provided during this process has been indicated as such.

Comments by the Facilitator, for example, where further follow up may be needed, are shown in *italics*.

3. Who contributed feedback

Forty-three community members, as described in the previous section, registered to attend the online community forum.

Forty-one people, including 29 community members and twelve others described above, attended.

At the start of the session, the community members were invited to participate in an online poll noting 'which main hat' they were wearing at the meeting. Of the 17 attendees who participated in the poll:

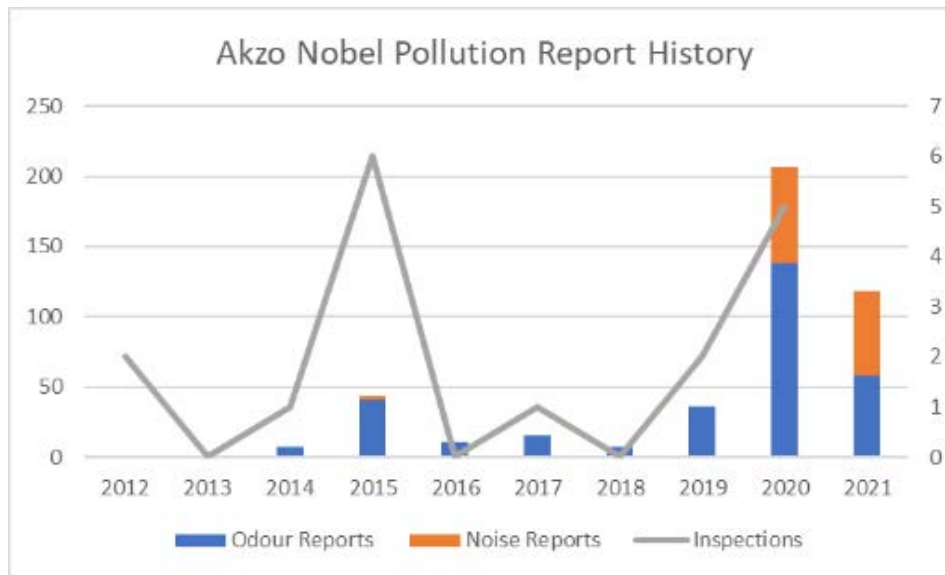
- Nine indicated that they were a resident living within three kilometres of AkzoNobel Sunshine North
- Two attendees indicated that they were community members from further afield
- Two were representatives of AkzoNobel or a consultant
- One was a representative of the media
- One was a representative of Brimbank City Council as an officer or Councillor,
- One was a representative of the EPA
- One was 'just interested'.

Feedback received during the meeting noted that some attendees wear 'multiple hats' and did not want to nominate only one.



4. What we heard: Issues and Concerns

Pollution Report History



Thank you for reporting!

Spike in reports in 2015 and again in 2019 onwards.

Increase in noise pollution reports from 2020.

Proportionate increase in Compliance and Enforcement action as more reports are received.

Noise and Odour pollution stemming from the premises now proven.



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4.1 Odour

Questions about odour and its potential impact on human health are a primary concern for community members. There were specific concerns about the chemical composition of the air emissions.

Summary of questions and feedback

What is the odour?

1. What is the odour/smell? (It smells like a sweet solvent paint)*
2. What are the "by-products" of the resin making process?
3. What specific chemicals are we being exposed to?* / What chemicals are we being exposed to? I feel like this has been danced around. This has been going on for decades. It should be known and disclosed to residents. How are AkzoNobel allowed to continue operating if this isn't known what we are being exposed to? We are all very stressed about our health!
4. What exactly are we breathing in? I am unsatisfied with 'by-products' as the explainer. What is being emitted? This is critical for our health.
5. What chemicals are in the odour? This was danced around, not a sufficient answer. Paint tins have health warnings to wear masks when painting. The suburbs surrounding AkzoNobel smells like paint! This is not safe.

Fact Sheet

Odour emissions can be a by-product of resin manufacture, an activity undertaken at the AkzoNobel Sunshine facility. In response to the EPA informing us of community concerns about odour, AkzoNobel undertook odour assessments in late 2019 and early

2020. This enabled us to establish that the odour is caused by plant equipment operating ineffectively.

Forum

Golder: (Certified Air Quality Professional, expertise is air quality. Asked by AkzoNobel to undertake onsite testing.)

Compounds emitted from resin plant include Volatile Organic Compounds (VOCs). There is a wide range of these VOCs, but when we do testing of the resin plant, a small family of compounds is the largest emitted, and we focussed on those. They are commonly referred to as BTEX compounds, an acronym that stands for Benzene, Toluene, Ethylbenzene, and Xylenes.

The monitoring program just completed involved monitoring those compounds at eight locations around the facility's fence line. The measurements were sent to the laboratory, and a determination made about the average concentration over those 24 hours.

The State's Environmental Protection Policy (SEPP) for air quality has specific criteria associated with the ambient concentrations of those compounds in the air. Those are health-based thresholds designed to protect human health. The process now is to analyse the samples collected and compare those to the criteria to determine if there is a potential for a health risk.

Odour is a big concern here, and it is important to distinguish between the chemical compounds in odour. Odour is complex and can come from many of these compounds, and different compounds have different odour thresholds, the concentrations at which it can be smelled. Our primary concern is to determine if the concentrations are a risk to human health and if they are below the criteria, and then investigate what can be done to mitigate the



odours. The proposed Regenerative Thermal Oxidiser (RTO) is designed to do this; it destroys the VOCs, reducing their emissions and eliminating the odours from those compounds.

Facilitator (after the Forum)

These questions were further answered in the documents produced and distributed to the community following the receipt of Air Quality Monitoring Results later in March⁵. The next forum (31 March) will focus on the results.

6. If the by-products aren't known, why are they still allowed to operate?

Forum

EPA: Our State Environment Protection Policies outlines the standards and what needs to be measured. We look around the world regarding the parameters that need to be understood to protect people's health, and those standards are translated into licence levels. In this case, the monitoring program has not identified any levels of concern above the licence limit.

We are currently finalising a Notice requiring AkzoNobel to improve their monitoring processes and conduct further monitoring to ensure levels remain below licence limits.

Fixing the odour issues

7. What is the factory doing to reduce these odours? (now and for the future)/What will AkzoNobel do to rectify the chemical smell it releases over the area?*
8. Many people have young families in this area. How will AkzoNobel ensure they are not affected by this issue in the future?*
9. What is being done to ensure the odour is removed from affecting the local residents and negating all health (physical and mental) issues relating to this?*
10. How are the odours monitored?*
11. What internal quality control measures are in place to assess odour, noise and any other issues that may impact the community and the company's social and environmental licence?

Fact Sheet

AkzoNobel has an EPA license that limits its emissions, including odour. We are working closely with the EPA to monitor Volatile Organic Compounds (VOCs) emissions and associated odour. AkzoNobel wants to be a good neighbour and manage our emissions in line with licensing requirements. We also want to gain community confidence that our operations will not cause negative offsite impacts. For this reason, we are looking to resolve the issues with sustainable, long-term solutions rather than 'Band-Aid' measures. Currently, VOCs are collected via an extraction system and sent to a Wet Chemical Scrubber. The scrubber's purpose is to remove or

⁵ Available at <https://www.akzonobel.com/en/countries/Australia>

filter the VOCs before expelling them to the atmosphere. It is this scrubber that is not operating effectively.

We are currently waiting on the EPA approval for our plans to replace the current equipment with a "Regenerative Thermal Oxidiser" to help reduce odorous emissions and meet the surrounding community's expectations.

A Regenerative Thermal Oxidiser (RTO) is an air treatment system that is widely regarded as best practice in odour and VOC mitigation. It will more effectively and efficiently control odour from AkzoNobel's resin manufacturing activity. The RTO is a new technology that heats the VOCs and burns them at high temperatures. No chemicals are used in this process. The RTO will have much greater odour removal efficiency, ensuring a reduction in emissions of VOCs and odorous compounds. The existing wet chemical scrubber will be decommissioned once the new equipment is installed.

In addition to installing new equipment, AkzoNobel is also undertaking rigorous monitoring, according to a monitoring plan approved by the EPA. The first stage of monitoring began on 5 February 2021. This air monitoring is designed to assess how many VOCs are being emitted from the site. New monitoring protocols will be established when the RTO is commissioned and will continue to ensure it is working as expected. All monitoring results will be shared with the local community in March in line with EPA reporting requirements. Pending EPA approval, the Regenerative Thermal

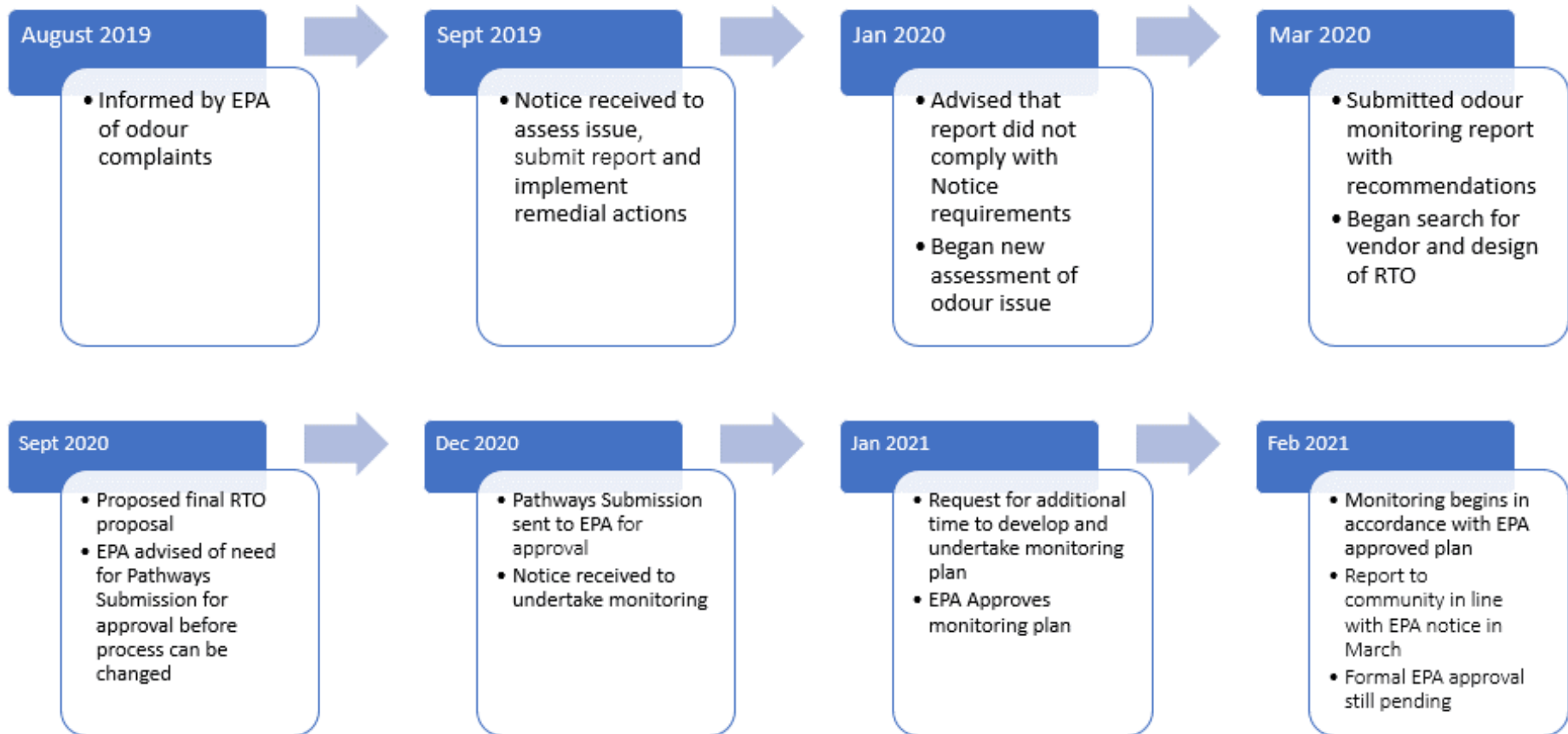
Oxidiser will be installed by October 2021. Akzo Nobel will continue to monitor and address emissions and work with the local community.

What is an RTO?

- Regenerative Thermal Oxidizer
- Eliminates VoCodours
- 99% efficient



Odour Issue History



Our regulatory notices

VOC monitoring

- Monitoring Plan Required EPA approval
- Must communicate results directly back to affected residents by 14 March 2021.
- EPA will assess results and determine if further actions are needed.

The image shows a document titled "AMENDED CLEAN UP NOTICE" under the "ENVIRONMENT PROTECTION ACT 1970 SECTION 62A(1AB)". The document is addressed to AKZO NOBEL PTY LIMITED. The address is 51 McIntyre Rd, Sunshine North VIC 3020. The legal reference is EP Act 1970 s.62A(1) Clean up and ongoing management measures required. The document includes several sections of text explaining the purpose of the notice, why it is amended, what is required to do, what happens if requirements are not met, and review rights.

TO: AKZO NOBEL PTY LIMITED ACH: 090 116 424

ADDRESS: 51 McIntyre RD, SUNSHINE NORTH VIC 3020

PREMISES: 51 MCINTYRE RD, SUNSHINE NORTH VIC 3020

LEGAL REFERENCE: EP Act 1970 s.62A(1) Clean up and ongoing management measures required

Who we are: Environment Protection Authority (EPA) Victoria is an independent statutory authority established under the Environment Protection Act 1970 (the EP Act). Our purpose is to protect and improve our environment by preventing harm to the environment and human health.

Why we amend remedial notices: EPA may revoke or amend any requirement in a remedial notice if EPA is satisfied that the circumstances of the case justify such action.

What you are required to do: Section 62A(1) of the EP Act requires you to comply with the requirements in this notice with one or more actions to prevent or remedy an actual or likely non-compliance. You must comply with all other requirements in the original notice that have not been amended.

Under section 62A(1), you must notify any person proposing to take control of your premises of this notice and your progress towards compliance with this notice.

When you are required to act: You should already be acting to comply with the original notice identified above. New or amended requirements take effect immediately. When EPA is satisfied that all requirements in this notice have been complied with this notice will be revoked.

What happens if you do not comply: If found guilty of contravening a requirement of this notice, you may be ordered to pay a fine of up to 2400 penalty units (\$396,528).

Review rights: You may apply in writing to the Supreme Court of Victoria within 60 days of the date of this notice for a review. For further information on how to apply contact the Supreme Court of Victoria on (03) 9603 6300.

For the purpose of this notice "You" means the recipient of this notice and "Premises" means the site at the premises address, as identified above.



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Our regulatory notices

Odour control

- Source of odour identified.
- Drafted and soon to be served to expediate installation.
- Akzo Nobel must legally engage with residents as defined in Notice.
- Required to test new control.

3 REQUIREMENTS - WHAT OUTCOMES ARE REQUIRED TO COMPLY?

General Requirements

3.1 By 7 April 2021 you must supply to the Authorised Officer listed on page xxx of this notice a communications and engagement plan for EPA approval. This communications and engagement plan must include, but not be limited to;

- a) the identification of all stakeholders affected, or potentially affected, by offensive odours discharging, emitting, or being released from the resin production facility at the premises.
- b) the development of a range of channels or mediums to disseminate information to stakeholders, as outlined in requirement 3.1(a), regarding:
 - i) the offensive odours discharging from the premises;
 - ii) any potential impacts and risks to the environment and community stemming from the discharge of offensive odours and associated VOC's, and;
 - iii) the proposed modifications to the resin production facility to prevent offensive odours being discharged, emitted, or released beyond the boundaries of the premises.
- c) the development of a system to identify and manage any issues raised by the stakeholders outlined in requirement 3.1(a).
- d) the development of a range of stakeholder engagement activities, including, but not limited to, periodic stakeholder and community engagement meetings.

3.2 By 21 April 2021, you must carry on implementing an EPA approved communications and engagement plan in accordance with requirement 3.1 of this remedial notice.

3.3 By 30 September 2021, you must modify the odour controls of the resin production facility to prevent odours offensive to the senses of human beings from being discharged, emitted, or released beyond the boundaries of the premises. This must be in line with the Approvals Proposal Pathway Form submitted to EPA on 11 December 2020, and EPA Licence R069.

3.4 By 7 October 2021, you must engage a National Association of Testing Authorities accredited consultant to carry out an emissions testing of discharges to air from the regenerative thermal oxidiser in order to demonstrate compliance with the emission levels for stationary sources in Victoria as set out in State Environment Protection Policy (Air Quality Management) Schedule D, and EPA Licence R069.

3.5 By 21 October 2021, you must supply to the Authorised Officer listed on page xi of this notice a report that, includes, but is not limited to;

- a) The results of air emissions testing of discharges to air from the regenerative thermal oxidiser in accordance with requirement 3.4 of the Clean Up Notice.
- b) The final specifications, and location, of the regenerative thermal oxidiser and associated stock.
- c) Any recommendations for amendments to EPA Licence R069.



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Why is it taking so long to fix the odour?

12. Why does AkzoNobel keep extending the timeframe in which they need to fix the odour issue? (*now and future*)*
13. What is the expected time frame for the fixing of the filtration system? / When will the odour be remediated, and what can we expect when completed? (e.g. NO ODOUR WHATSOEVER)*
14. Two years ago I contacted AkzoNobel and raised concerns regarding odour (sweet smelling, chemical solvent) and noise (turbine sound). I was told there were plans in place to resolve these issues. Two years on and both issues are unresolved, and here we are at a "community forum" discussing these problems. What is the hold up? Why is there such a delay to resolve these issues? Why not just resolve the issues and be done with it?

Fact Sheet

The new equipment is highly specialised, designed and built for purpose using overseas components, and civil and construction works will be necessary to accommodate the new equipment. We also need to temporarily relocate the current equipment so that the construction can occur. Unfortunately, this all takes time, but AkzoNobel is working hard to make it happen as soon as possible.

Community members are invited to contact AkzoNobel's hotline on 03 93134555. To help us investigate reports, information such as the time of the odour. A general location relative to the site and wind direction is very helpful. The caller's contact details will be needed if a response is requested. EPA Victoria's 24-hour hotline is 1300 372 842.

Forum



What is our estimated timeline?

- ↪ Commence Project- March 2021
- ↪ Design Review & Hazard Studies April
- ↪ Relocate & reinstate existing scrubber May
- ↪ Commence Civil Works- July
- ↪ RTO arrival to site- August
- ↪ Complete Mechanical Installation Sept
- ↪ Commence Commissioning 4th Oct
- ↪ Installation Complete- 13th Oct*

↪ Dependent on formal EPA approval*

AN: Given the issue, it took extensive investigation to find the real source/cause. The solution is very specialised and involved specialist vendors for the design and installation. Further to this, COVID restrictions made it very difficult to engage people to work on the issue. Once we were able to put forward a solution that the EPA would approve, an application was made. We are now expecting



formal approval for the solution. We are now very busy getting it done as soon as possible.

We encourage and support reporting of any environmental complaint to EPA but would also encourage reporting directly to the site as this allows us to respond more quickly.

15. AkzoNobel says that pending EPA approval, the RTO will be up and running by October. Can you and the EPA please foreshadow any possible delays to this assuming EPA approval is forthcoming?

Forum

AN: The timeline is achievable. The biggest challenge is getting the RTO here on time. We have given ourselves a lot of time but is a challenge with shipping globally at the moment. All the civic works, relocation of current system will happen on time. The only potential delay out of our control is the shipping issue. We are seeing this with raw materials. We will keep you updated.

Facilitator (after the meeting)

Community members will be kept up to date with progress via these forums and an emailed update. Community members are encouraged to go on the mailing list so that they can receive this information directly.

Impacts on health from odour

16. What are the health effects of the pollution coming from AkzoNobel? What are the health impacts that the odour has on residents? What does the investigation tell us?*
17. Is the chemical smell released by AkzoNobel safe for the community to breathe and are there any short or long term negative effects?*
18. What harm will the odours do to our health? Is the smell dangerous to our health?*
19. Are the materials, not the odours, but that are causing the odours, a risk to human health - yes or no?
20. Can you please tell us what these chemicals do to our health? What is the limit? Residents are experience physical symptoms such as burning tongue, throat, eyes, lung irritation, mild confusion, etc. It is destroying our livelihood.
21. Can you explain peoples dizziness, headaches, watering eyes, irritation of throat and eyes , worsening asthma , and other breathing difficulties, and apnoea regarding industrial noise , given you have stated that these are EPA safe ambient levels of VOC's
22. You did not answer my question. Are the raw materials used that create the odour, a risk to human health - yes or no?
23. We sold our Sunshine North house almost 6 years ago because of your factory and the vile smell filling our house - daily. When will we know whether the air local residents have been breathing for years is 'safe'?

24. Are the VOC's independently tested? Is Golder Independent?

What are the long-term impacts of the concentrations of the VOCs over years? Are people safe when they breathe these VOC's in? What about children who are still developing?

Fact Sheet

The air monitoring will clarify the exact chemical makeup and concentrations being emitted and any possible health impacts. The results and potential impacts will be shared with the community when available (March 2021).

Forum

AN: We are currently undertaking a suite of air sampling along the site boundary – 8 locations tested 6x 24 hour periods). Final results to be shared in line with EPA notice in March.

Golder: The question (#19,22) cannot be answered as a simple yes/no. Like all chemical compounds, the risk depends on the concentration you are exposed to and the duration. The criteria include short term (3-minute) and long term (annual) criteria. The ambient air quality criteria are established by the EPA and are designed to be protect human health for all persons, including children and the elderly. If the concentrations over the averaging period are below the EPA criteria the risk to human health is considered negligible.

The criteria are designed to protect human health and are considered to be below levels where sensitive persons would experience health effects. However, different people can have different sensitivities to odours.

⁶ Available at <https://www.akzonobel.com/en/countries/Australia>

Facilitator (after the Forum)

These questions were further answered in the documents produced and distributed to the community following the receipt of Air Quality Monitoring Results later in March⁶. The next forum (31 March) will focus on the results.

25. Are the VOC's independently tested? Is Golder Independent?

Forum

Golder: Golder's air quality laboratory is independently accredited by Australia's National Association of Testing Authorities (NATA).

26. What are the independent/international scientifically verified odour limits that the factory monitors, and to what frequency?*

Post Forum

AN: Odour is monitored in accordance with our licence to operate conditions. Specifically, this is undertaken in accordance with Australian Standard AS 4323.3 and Victorian EPA Publication 1666 (Oct 2017). Each year an annual report is submitted to and reviewed by the EPA. The EPA also conducts regular onsite desktop audits of the information collected.

27. What is the procedure to notify residents in the event of odour limits being exceeded? And how/when will these be communicated?*

Post Forum

AN: Information of an exceedance of operating limits will be provided to the community if it occurs.

Our regulatory notices

Monitoring program

- A requirement of all EPA Licence holders.
- Currently ineffective in determining if there are offsite odour impacts.
- Their monitoring has shown they are complying with their Licence's VOC limit, but we also want them to improve their monitoring for assessing this.
- Compliance advice given in this notice in readiness for new EP Act. This includes community engagement.
- Notice Drafted and to be served Next Week.

ENVIRONMENT PROTECTION ACT 1970
SECTION 31A

POLLUTION ABATEMENT NOTICE

TO: AKZO NOBEL PTY LIMITED ACN: 000 119 424

ADDRESS: 51 Montyre Rd, SUNSHINE NORTH VIC 3020

PREMISES: 51 MCINTYRE RD, SUNSHINE NORTH VIC 3020

LEGAL REFERENCE: EP Act 1970 s.31A(1) Remedial notice required to address current or likely pollution, environmental hazard, or non-compliance

Who we are: Environment Protection Authority (EPA) Victoria is an independent statutory authority established under the Environment Protection Act 1970 (the EP Act). Our purpose is to protect and improve our environment by preventing harm to the environment and human health.

Why we serve remedial notices: Remedial notices are served to prevent or remedy actual or likely pollution, environmental hazards and a range of non-compliances with the EP Act.

What you are required to do: Section 31A(2) of the EP Act requires you to comply with the requirements in this notice with one or more actions to prevent or remedy an actual or likely non-compliance. Under section 31A(1), if someone plans to take control of your premises, you must notify them of this notice and your progress towards compliance.

When this notice takes effect: 40 days from the date of issue below.

If you want compliance dates extended: An application to extend a compliance date listed in Section 3 of this notice must be received at least 10 working days prior to the compliance date. Application forms, available at www.epa.vic.gov.au/business-and-industry/forms must be addressed to the Manager of the EPA office listed on this notice with the subject line: "Notice amendment application". Your served notice remains legally binding until EPA advises of any change. Refer to the Remedial notice policy (Publication 1418) for further information on amendment applications.

What happens if you do not comply: If found guilty of contravening a requirement of this notice, you may be ordered to pay a fine of up to 2400 penalty units (\$366,528) and an additional penalty of up to 1000 penalty units for each day the offence continues (\$155,264 a day).

What your review rights are: An application for review of this notice can be made to EPA and/or the Victorian Civil Administrative Tribunal (VCAT). Applications for an EPA review must be made within 7 calendar days from the notice issue date (below). VCAT applications must be made within 21 days of the notice issue date. Application forms for an EPA review are available at www.epa.vic.gov.au/business-and-industry/forms, or from our offices. For more information on your review rights, refer to the Remedial notice review policy (Publication 1531) or contact us on 1300 EPA VIC (1300 372 642).

For the purpose of this notice "you" means the recipient of this notice or your authorised representative and "Premises" means the site at the premises address, as identified above.



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28. Why are the odours not confined to the factory?*

Post Forum

AN: The equipment to treat the odours is not functioning efficiently and whilst efforts to improve the system have been made, these have not been fully effective. The solution is to install an RTO as detailed in other responses. We continue to investigate and install other short-term measures to reduce the impact of odour on the community.

Please see our community page which includes the air emissions report from Golder - *Ambient Air Quality Monitoring (VOCs) Report - March 2020*⁷

4.2 Noise

Community members from the surrounding neighbourhood are concerned about the noise from the AkzoNobel Sunshine North facility. There is significant concern that the noise is adversely impacting the wellbeing of members of the community.

Summary of questions and feedback

What is the noise, and what are you doing to fix it?

29. What is the factory doing to reduce factory noise? (now and future/The noise affects me a lot, as it is a constant loud humming noise.)*
30. What is being done to ensure noise is removed from affecting the local residents and negating all health (physical and mental) issues relating to this?*
31. When will the noise be remediated, and what can we expect when complete? (e.g. no noise at all, reduction in that high pitched frequency, etc)*
32. The turbine produces a constant droning noise that dulls my sense of livelihood and deters me from opening the door and going outside. The impact of this on mental health is much more difficult to quantify. What is AkzoNobel aiming to do to mitigate the noise impact? And what is the timeline for remediation works to take place?

Fact Sheet

Noise emissions can be a by-product of many manufacturing processes. The current noise that residents can hear at AkzoNobel's

⁷ <https://www.akzonobel.com/en/countries/Australia>

Sunshine North facility is likely to be caused by milling equipment used as part of the powder coating manufacturing process.

We have been conducting testing to improve our noise suppression and assess the need for quieter equipment and processes.

AkzoNobel wants to be a good neighbour and manage our emissions, including noise, in line with licensing requirements. We also want to gain community confidence that our operations will not cause negative offsite impacts. We are therefore installing long term solutions to the noise concerns.

AkzoNobel is working on enclosing the equipment with acoustic material to suppress noise. Where needed, we will replace it with quieter equipment. Construction of the acoustic enclosures and equipment upgrade is underway and expected to be completed within one to two months.

In addition to installing new equipment and acoustic barriers, AkzoNobel is monitoring noise. While this monitoring is underway, we have ceased all night-time processes involving milling equipment until adequate noise control measures are put in place.

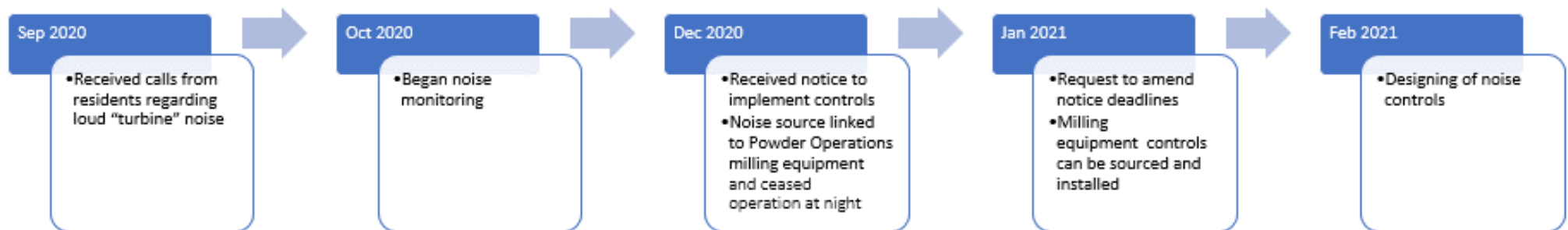
Forum

AN: The 'Turbine' noise reported is associated with our powder milling equipment. This equipment has been switched off from 7pm to 6am. We are currently looking to insulate this equipment to further reduce noise during operational hours.

Facilitator (after the Forum)

The questions regarding the timeframe for remediating the noise issues have not been answered. I will continue to follow up with AkzoNobel.

Noise Issue History



Our regulatory notices

Noise controls

- Source identified during EPA inspection
- Extension of compliance dates refused.
- EPA investigating potential non-compliance.
- Will be referred for sanctioning if a non-compliance is identified.

General Requirements

3.1 By 26 February 2021, you must modify or install controls on your activities and processes, including but not limited to equipment and plant (e.g. Mill Blowers) to reduce the "effective noise level" generated from your premises so that it does not exceed the following noise levels at Barwon Avenue, SUNSHINE NORTH during the following time periods:

Day limit: 58 dBA

0700-1800hrs weekdays

0700-1300 hrs Saturdays

Evening limit: 51 dBA

1800-2200hrs weekdays

1300-2200hrs Saturdays

0700-2200 Sundays and public holidays

Night limit: 47 dBA

2200-0700hrs all days



Environment
Protection
Authority Victoria



The incoming EP Act 2017

There is a new EP Act 2017 scheduled to commence on 1 July 2021.

- This will see EPA move from being a more reactive regulator into a more preventative space.
- The general environmental duty (GED) is at the center of the Environment Protection Act 2017.
- This duty requires you to eliminate or minimise risks so far as reasonably practicable.



Reasonable Noise

33. What is considered "reasonable noise"? Is it based on the duration, frequency, time, etc? If it's at X dB 24/7, isn't this considered unreasonable? Noise from air conditioner may be unreasonable, so how can we justify the licensed limit of the fan which is heard in homes with doors and windows closed in residentially zoned areas?

Forum

EPA: Under the current Environmental Protection Act 1970, what is considered reasonable noise is specified within the relevant State Environment Protection Policy. As a result, EPA can only regulate issue a remedial notice to reduce noise levels if the noise levels are assessed as being over those limits (for information, they are specified in the remedial Notice issued). Under the incoming Environmental Protection Act, businesses will need to eliminate or reduce noise "so far as reasonably practicable." Under the new Act this will be defined as considering:

- (a) the likelihood of those risks eventuating;
- (b) the degree of harm that would result if those risks eventuated;
- (c) what the person concerned knows, or ought reasonably to know, about the harm or risks of harm and any ways of eliminating or reducing those risks;
- (d) the availability and suitability of ways to eliminate or reduce those risks;
- (e) the cost of eliminating or reducing those risks.

As a result, noise that may be "reasonable" under the current Law, may not be in the future.

34. What is the factory doing to reduce site-related traffic noise?*

Post Forum

AN: Deliveries to the site are between 7.00am and 5.00pm. We encourage reporting of any undue traffic noise so that we can investigate.

35. What are the health impacts around high noise/frequency of the fan on residents? What does the investigation tell us?*

Post Forum

AN: The operation of milling equipment at night has caused exceedance of the noise limits. We have ceased operating this equipment during the night-time and have undertaken an extensive noise monitoring program across the site. This testing is continuing during March with the purpose of identifying further improvement opportunities to reducing noise.

Facilitator (after the Forum)

The question has not been answered. I will continue to follow up with AkzoNobel and EPA.

4.3 General health

Community members are concerned about a range of reported health impacts that they believe are caused by noise and odour from AkzoNobel.

Summary of questions and feedback

36. How do you explain people's headaches, dizziness, coughing, irritation, watering of the throat, eyes, worsening asthma, and insomnia from the industrial fan noise?

Forum

EPA: If people feel those impacts, we encourage them to see doctors, or call Nurse On Call on 1300 60 60 24. The levels that have been monitored are within the licence limits, but there is further monitoring happening. For odour, our noses are very good early warning detection system and can pick up things at levels much lower than impacts for significant health issues. We acknowledge impacts on livelihood, and we understand the frustration.

37. Why are we being encouraged to see a doctor? How about not causing these issues? That is a disgusting answer. Losing faith in the EPA.

Forum

EPA: We are doing all we can through our regulatory Notices to fix the issue and stop the odour and noise from AN.

Post Forum

EPA: Noise can be annoying or disturbing. Over time, if the noise continues or is too loud, it can impact your health and wellbeing. The impact can be greater when noise disrupts your sleep. For

example, when noise makes it difficult to fall asleep or wakes you during the night.

Ongoing noise can lead to:

- headaches
- increased blood pressure
- fatigue
- irritability
- poorer reading comprehension and attention in children
- hearing damage when the noise is loud.

From a scientific perspective we do know that health effects from noise exposure will depend on the level and type of noise, its frequency, duration, period of exposure, and the sensitivity of those exposed. Noise exposure, even at lower levels, can sometimes affect amenity which may also adversely affect health and wellbeing.

In residential settings, those most vulnerable to the impacts of noise include:

- sick people
- elderly people
- babies and children
- shift workers
- people with chronic health issues.

For further context, there are some relevant scientific studies examining environmental and community noise published by [enHealth in 2018](#). EPA is currently investigating noise levels at the

site and will be requiring further measures to fix any issues and consider enforcement as appropriate.

It is also recommended that medical attention be sought for any concerns of perceived health effects from noise exposure. For more information on noise and its affects please refer to our website⁸.

4.4 History of impacts on community

Members of the community lack trust in AkzoNobel due to a history of reported concerns and perceived inaction by AkzoNobel. There is a feeling that nothing will be done about current issues that have persisted for years.

Summary of questions and feedback

Why have you failed to resolve this ongoing issue?

38. I have been a resident for less than a year, yet I know more about this issue than (*AkzoNobel*). How is this possible? Can you please explain why we should keep being exposed and why AzkoNobel can still keep operating? How about you stop operating and we can live healthier lives and when AzkoNobel is ready to operate within its limits, then it starts up again?

Forum

AN: It is very important that actions taken are targeted at the correct issue/cause, which can sometimes be very complex and technical in nature. Unfortunately this takes time to assess. In this specific odour issue, we will be sharing results of the testing

⁸ <https://www.epa.vic.gov.au/for-community/environmental-information/noise>

undertaken including any effects it may have and you can be assured that the appropriate action will be taken.

39. Considering this has been an ongoing issue for decades, why hasn't AkzoNobel cared about the communities health and wellbeing despite being aware of the issues?*
40. Aren't the odour issues more than a decade old? Isn't it true that some of the long term residents attempted to work with AkzoNobel and the EPA to resolve the odour issues resolved many years ago (ending up in court) to no avail? The failure to resolve the issue for over a decade has corroded public trust - how do we move forward with any faith?
41. There are articles on the odour and noise going back to 2015, also 10 years ago there was similar complaints where a "hotline" was created and hours of operations were changed. What happened to those timeline? What happened to actions taken then?
42. It took 5 years for EPA to prove that a breach had occurred through faulty equipment. In that time there was no penalty and no answers to the potential impact to the local residents. Peter said they spent money on upgrading the premises, but they didn't fix the faulty equipment for five years (theoretically they didn't even know it was faulty). How do you trust that? *(this question was provided after the forum)*

Forum

AN: I am not aware of the historical use that you refer to. I understand your lack of trust but we will complete the actions as outlined and we will continue to update you and other community members of our progress.

To be honest I can't remember. If there was a hotline it would have gone through reception.

Post Forum

AN: In 2015, AkzoNobel worked closely with EPA Victoria regarding odour complaints in the area. At the time, the factory had a monitoring program in place to measure emissions from the site, and we conducted monthly neighbourhood walks.

While a source of the odour could not be identified, we took the investigations seriously and implemented a series of measures to reduce potential odour issues. This included eliminating manufacturing of some products, reducing emissions through engineering controls, improving site cleanliness, and covering vessels to avoid emissions.

Between 2015 and August 2019, AkzoNobel received no further odour-related complaints.

AkzoNobel has always had a commitment to taking action and investigates all complaints that it receives.

On the matter of the hotline, we have always had a phone number that AkzoNobel can be reached on.

What was done ten years ago?

43. To understand the history of all the reporting on the odour and noise, what remediation actions were done then? What was different 10 years ago when there were complaints? What was actually done 10 years ago when the community voiced their concerns? Why make changes now?

Post Forum

AN: AkzoNobel undertook investigations seriously and implemented a series of measures to reduce potential odour issues. This included eliminating manufacturing of some products, reducing emissions through engineering controls, improving site cleanliness, and covering vessels to avoid emissions.

Between 2015 and August 2019, AkzoNobel received no further odour-related complaints.

Current issues relate to the inefficient performance of the chemical scrubber which is planned to be replaced in 2021 with an RTO as approved by the EPA.

44. AkzoNobel stated that it was in Aug 2019 that it was informed by the EPA of odour complaints and it was only then that action was initiated. I have lived 2.7km south of AkzoNobel for 12 years and have been reporting odours to the EPA regularly since then as well as calling AkzoNobel on occasion and Council. Why did action only start once EPA engaged you in 2019? I find it impossible to believe you didn't know about community concerns and reports before then. Assuming you did know, why wasn't action taken before 2019?

45. The issue being reported by residents for the past decade or more has been a 'sickly sweet' solvent smell. If you are saying that these issues were addressed decades ago then why is the exact odour still being reported today? It doesn't fill the community with confidence that you are sincere in your promises.

Forum

AN: I started the slides from the most recent activity around odour complaints. These are fair questions, I am not suggesting we haven't had issues in the past, but when issues have been raised in previous times, we have addressed those concerns.

The components or chemistry of some of the products we manufacture in our resin plant are similar to what we were making 10 years ago if not earlier. Technologies change with product changes but these products have not changed.

In regard to odour, our open trade waste system was open without lids and we identified back then that this was odorous. We put lids on them to contain the odour.

A lot of what creates high noise is air movement and motors and we have several of these across the site. There was an extensive program done to enclose a lot of these motors with noise reducing panelling and we installed silencers on those stacks, which reduced the noise of the air flow through the stacks.

When purchasing new equipment, we consider noise - we enclose motors and pumps if necessary and we look to find the latest technology with the lowest noise for the particular piece of equipment we are trying to source.

46. There appears to be a constant time lag happening, in terms of asking for extensions and taking a long time to respond (for example, you received an EPA notice in December and now it's March and you're STILL getting quotes. Also, as a global leader in your industry, surely you would have known that best practice was to have an RTO? How has it taken a regulatory body's intervention to realise and act on this?

Forum

AN: We received the noise complaints, as had EPA, and we were already investigating what was happening in that space. We identified the night-time noise. In terms of the extension, we had to get noise monitoring done, internally in addition to what the EPA was doing, to look at specific equipment, which took time to identify. We then had to get people in to design what needs to be done regarding noise reduction requirements.

When we received the original Notice we embarked on what we thought was the right testing regime. But unfortunately, when we sent that report back to the EPA, we hadn't satisfied of the components within that Notice. That was a mistake on our part. We had to redo some of the investigation in terms of the RTO. That whole process took a long time. We certainly acknowledge that.

We looked at all of the options to manage or treat VOCs and odours, and there are several, and considered which would give us the most efficient outcome. With the RTO we did a lot of testing of the air flows to determine the size of the RTO needed. I appreciate that it does seem like a long time. There are a lot of a lot of processes to go through to make sure we get the right outcome moving forward.

Comments regarding AkzoNobel responses to historical issues raised by the community

47. In 2014/2015 AkzoNobel letterbox dropped residents telling them to share complaints with AkzoNobel directly. This was after resident complaints to the EPA and the EPA investigating (and unable to pinpoint the source of the smell, as I've just learnt). AkzoNobel also began releasing the smell in the early hours of the morning when most residents were sleeping rather than during the day. AkzoNobel has been aware of the smell and complaints for many, many, many years.

48. We have a strong community of long term residents who say the issue spanning 10 or more years were never remediated.

49. One long term resident engaged lawyers 10 years ago, it is really surprising to hear that someone working at the plant for 30 years can't recall this.

Post Forum

AN: Release of odour cannot be controlled or timed as our processes run 24 hours per day and so there is no specific time of discharge. AkzoNobel has always treated all complaints received with priority and any historical odour issue would have been investigated and actions taken.

We have looked back at our files but can find no record of legal proceedings. We are happy to investigate further if you can provide more details.

50. We had the contact information, we were given inconsistent information, and lack of process to give us confidence to report to you. When calling, the person who picked up either didn't know what to take down or had no understanding of what I'm trying to provide. Or, I get told off and get into an argument.

Facilitator (after the Forum)

This comment has not been responded to. I will follow up with AkzoNobel.

4.5 Compliance

Many members of the community, including SAPAG Committee members, have little trust in AkzoNobel or the EPA due to delays in responding to community concerns. There were concerns and questions relating to both past and future breaches of licence requirements and EPA's response to these breaches.

Summary of questions and feedback

Penalties

51. How will the EPA ensure compliance?*
52. How does the EPA actually punish companies as regulator? What form would punishments take?
53. Will the penalties for lack of compliance be financial or non-financial?

Forum

EPA: This is guided by our Compliance and Enforcement Policy. In the past we could not prove to a sufficient legal basis that the odour

or noise pollution was coming from AkzoNobel's premises, and so we could not issue a remedial Notice or sanction. We have now proved this to a sufficient legal standard and there are a number of active investigations determining what, if any, sanctioning needs to occur. According to our Compliance and Enforcement Policy, the more sanctioning activity that occurs, the more it escalates. This is about providing a consistent and proportionate approach. It may begin with an official warning, before scaling up to an infringement Notice, and later potentially prosecutions and licence revocation, depending on the type of non-compliances.

We have issued an official warning to AkzoNobel. The next step for any non-compliances may be Infringement Notices and fines. Two key things that help guide how serious an enforcement measure we can take are 1) the environmental or human health risk or harm, and 2) the level of culpability of those responsible. That is weighed up with history of compliance. We are always considering any potential breaches of the Act. We make these decisions public.

54. What is the \$ amount of the fine AkzoNobel would have to pay if they don't meet the noise and air quality requirements? At which point would they have to shut down?
55. For fines, how does the EPA calculate the amount a company is culpable? Is there a formula in place?
56. So just to confirm, there has been NO monetary consequences whatsoever that AkzoNobel has paid because you couldn't prove anything in the past?

Forum

EPA: The monetary value of any Infringement Notice issued is specified in the Environmental Protection Act 1970 under a set

amount of penalty units. Under the new Act (from 1 July) we will have greater powers.

Facilitator (after the Forum)

I will follow up a response to Q54 with the EPA.

What will be done between now and the installation of the RTO?

57. .If the issue is not going to be fixed until October. What will be done for us until then? Are we expected to just keep being exposed to noise and pollution? Why is AkzoNobel allowed to operate during this time? Profit over health?

58. What are you going to put into place to lessen or contain the odour between now and October?

Forum

AN: We have already made changes to operating hours to suppress the noise and we will continue to look at other solutions. By switching off the milling equipment at night we believe we now meet the requirements as set out by EPA. There is currently monitoring going on.

In terms of odour, it is difficult to see a significant change to the odour issue until the RTO is installed but we will continue to look at opportunities to improve it. It is really unfortunate that it takes a long time to get this equipment installed.

EPA: Part of tonight is us coming to hear from the community and from AkzoNobel. We will be looking at this to see if there is more the EPA can be doing to ask AkzoNobel to manage noise and odour in the interim. We need to make our decisions within the law and

we look to our Compliance and Enforcement Policy about how hard we can go in terms of impact on operations of AkzoNobel. The monitoring coming in next week or two will certainly help us understand that and the Notices for ongoing management.

Why are they operating if non-compliant?

59. If AkzoNobel are in breach of their license with the EPA by emitting odours outside the site's boundaries, then why are they still able to operate? Shouldn't they be shut down until the issue is resolved, given that it's impacting thousands of residents on a daily basis?*

60. If a business was producing a food product that had any risk, even if unconfirmed, to human health those products would need to be recalled and CEASE OF PRODUCTION until confirmed safe - how is it possible that a business can be allowed to operate with a known potential risk to human health? Do we really need to wait until it is confirmed that it is a risk to our health and then we need to pursue legal action for impact to our health which could have been prevented from today?

61. How are they within the licensed limit when VOC monitoring is non-compliant?

62. If AkzoNobel has been deemed non-compliant and haven't been self-monitoring correctly then how are AkzoNobel being compliant then? This is false.

63. We were told that their monitoring systems were non-compliant. We know they are admitting odour and noise above a level. Why can they keep operating?

64. Sorry it doesn't answer the question. Simply, why are they still operating if they are not complying?

Forum

EPA: AkzoNobel has a number of conditions on its licence and a general condition of having a monitoring program in place that shows EPA they are complying with specific licence conditions. In this case, there are three main things which are the subject of tonight's meeting.

- 1) AkzoNobel can't emit offensive odours beyond boundaries of premises – we know this is occurring.
- 2) AkzoNobel have a licence condition to ensure that there are no emissions of noise and/or vibrations from the premises which are detrimental to the environment in the area around the premises; and the wellbeing of persons and/or their property in the area around the premises. We know this is occurring.

- 3) In regard to VOCs, AkzoNobel have a bubble limit for all discharge limits at site which allows them to emit 241gm per minute of VOCs. EPA has requested a tranche of information to guide our notices and AN has provided sampling data going back 6 – 9 months. We are not saying they are above this limit, it is very likely they are below the limit. We are saying that the way they monitor does not comply with an EPA guideline, and we need them to fix that. They rely on subjective measures from onsite staff which is far from best practice.

This is the start of ongoing engagement with community. If you are interested in understanding further through contact with EPA scientists etc, we are happy to bring people along to future meetings.

How to keep up to date

- Akzo Nobel has committed to keeping the community updated. This will be formalised in remedial notices, however you can call them on 03 9313 4555 about engagement, or any noise and odour concerns.
- EPA will be providing regular updates via social media, email, website, and community information sessions
- We've set up a webpage addressing the issue, see here:
<https://www.epa.vic.gov.au/for-community/current-projects-issues/active-environmental-issues/western-metro/odour-issues-in-sunshine-north>
(or www.epa.vic.gov.au and search for 'Akzo Nobel' in the top right corner of the page)
- Report pollution to our hotline 1300 372 842 (1300 EPA VIC) or email us at contact@epa.vic.gov.au
- Thank you again – your pollution reports allow us to respond to you faster



Environment
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Other

65. AkzoNobel mentioned that as technology has changed, the effects of the production on the community has changed. Therefore I worry that in the future that we may be impacted again but changed in their technology. What will be done about this? How will the company be proactive in the future, so this doesn't keep happening again for another 30 years?

Forum

EPA: Under the new Environmental Protection Act, the controls to risks are "reasonably practicable" will evolve as industry improves. Controls installed now will not necessarily be seen as sufficient by EPA as technology improves.



66. Do you have a dedicated team tackling these pollution issues?
Are you limited in your ability or resources to expedite the remediation process?

Post Forum

AN: We have a local Health, Safety, Environment and Security department responsible for monitoring our compliance to licence conditions. We have access to resources regionally and globally as required, and we use local expertise to ensure monitoring is conducted in line with expectations. Our engineering team is also involved in managing the design and installation of these improvement projects as a priority.

EPA: We have a dedicated EPA team based in Sunshine and this issue is a significant priority at EPA . Your pollution reports are valuable in this. As such, we have been able to draw resources from throughout the organisation including specialist scientists, an engagement specialist, and our development assessments unit who handle EPA licences.

67. How much longer are EPA giving the company to stop the stench?*

Post Forum

EPA: EPA needs to give AkzoNobel sufficient time to install an appropriate control to solve the odour issue, which is being required by 21 October. In the meantime, EPA's Notice will also require AkzoNobel to develop an odour management plan by 28 April and provide options to prevent and reduce odour impacts on the local community. As with any issue, if AkzoNobel does not comply with

the approved timeframes, we will consider appropriate enforcement action in line with our Compliance and Enforcement Policy⁹ .

4.6 Restoration and commitment

Community members wanted to understand what AkzoNobel will do to compensate them for the health and other impacts of both noise and odour breaches. There is also a level of distrust about AkzoNobel's current promises to address issues.

Summary of questions and feedback

68. How does AkzoNobel plan to "make good" for the impact the factory is having and has done to date to the local residents?*
69. What compensation can residents whose daily lives and health and wellbeing is being affected by the ongoing stench apply for?*
70. What will you offer impacted residents whilst the remediation work is underway? (e.g. The Westgate tunnel project have given noise-cancelling Bose headphones for some residents). We're still tolerating noise and odour until it's completed. What changes will you/have you made to ensure that the issue is being minimised in the interim?*

⁹ <https://www.epa.vic.gov.au/about-epa/what-we-do/compliance-and-enforcement>

71. If the current solutions on offer do not resolve the issues, would Akzo Nobel ever consider shifting to a site that is not in a residential area? If not, how could long term residents most affected in the area be compensated?*
72. What can be done immediately to compensate residents whose land value and/or physical/mental health is significantly compromised due to past and current noise and smell from AkzoNobel?*
73. If you're planning on continuing being in the neighbourhood, how are you going to improve and contribute to its health/welfare/wellbeing?*
74. Will residents in the immediate vicinity be compensated between now and October?

Forum

AN: We're not looking at compensation right now - we're focused on resolving the issues that we have and getting the RTO process up. So at this stage, we're not looking at or not in a position to discuss any compensation. We're focused on getting information to the residents about the odour sampling, and also putting in the corrective actions that we've spoken about this evening.

75. What is your ongoing commitment/promise to the community?*
76. AkzoNobel's negative environmental footprint at this location goes back years and years, generating significant impact on various members of the community. How are we to trust that the company has our interests truly at heart when progress around this has been minimal and initiated only when regulatory powers engage?*

Post Forum

AN: AkzoNobel is committed to being a good neighbour and ensuring the community is kept updated on AkzoNobel future plans and highlighting of any issues. Complaints received are taken seriously and responded to in an effective and transparent manner.

We will organise more regular forums to discuss issues. We will engage physically face to face where possible. In view of Covid-19 situation, we will use Zoom Meeting and not Zoom Webinar to facilitate better interactions. We have also set up a Community webpage to ensure we provide regular updates on our efforts, and we welcome feedback via email and our hotline.

4.7 Forum dissatisfaction

A number of attendees of the online forum flagged concerns about the lack of interaction available via the Zoom Webinar format. It was perceived by some to be a deliberate way to prevent members of the community from asking questions.

Summary of questions and feedback

77. Why are residents being silenced during this meeting? Why can't we directly ask questions?
78. Can you confirm that all community members and participants' questions are going live and not being screened out?
79. Why can't we have a Zoom meeting instead of Zoom conference, so we can see each other and talk?

80. I am finding this conference style meeting to be quite difficult for us as community members to actually respond or ask questions on a level playing field. We are aware that only some questions are being added in this forum despite questions being respectful and relevant. Will we have the opportunity to have a genuine discussion with EPA and AkzoNobel again in future that allows for some more equality?
81. This consultation session appears very controlled. At the Barro/EPA community consultation, we were able to see everyone on zoom and ask questions live to EPA and Barro and get responses. It is really important that EPA and AkzoNobel see that these people need to feel visible. People need full transparency on issues that may be impacting their health and have a right to engage openly with their serious concern.

Forum

Kismet Forward: When we were planning this forum I could not find a venue (in the area) that could safely handle the number of people interested in attending, due to Covid restrictions. The reason why you only got the link this morning was that I was waiting to see how many people registered to attend. I made the call to use a Webinar as 43 people had registered, along with panellists and other people involved. This number can be quite unwieldy in a Zoom meeting.

I am sorry that you feel silenced and invisible. That is certainly not my intention. Rather, it is to try and get as many questions answered at this stage. We're not screening questions - they just haven't all been answered yet. I'm going up and down in the in the

Q&A timeline to group questions together. I was paraphrasing to save time, but I have stopped doing that.

I hope we can have public meeting soon. All questions that are asked tonight will be in the forum report along with the answer provided and where necessary more information.

AN: We would have liked to have had this forum at the site. We can accommodate 40 people meeting onsite without COVID restrictions.

4.8 Other

Summary of questions and feedback

Long-term viability of AkzoNobel in a residential area

82. Is AkzoNobel's location really viable in a heavy residential area considering your volume of production and long operating hours?*
83. What do you consider to be the primary operating role in Sunshine North? How does the Sunshine North factory fit into your wider business? Do you have other sites? What is the current long term strategy for the Sunshine North site? How long are you intending on keeping it operational? If you're planning on leaving, how soon will you begin to wind down operations? What is the long term plan/goal for the site? Is there even one?*
84. If the current solutions on offer do not end up resolving the issues, would AkzoNobel ever consider shifting to a site that is not in a residential area? If not how could long term residents most affected in the area be compensated?

Forum

AN: AkzoNobel plans to remain part of the Sunshine community into the future. We are looking to invest further into processes and facilities and also into the appearance of the site. We want to continue to be a part of the community and continue to improve our social licence to operate.

AkzoNobel Finances

85. What % of their revenue made from manufacturing at Sunshine has actually been spent on meeting amenity requirements for their license to operate at the plant? Historically as well as recently.

86. How much does AkzoNobel make per year from manufacturing at the Sunshine North plant beginning with last year?

Forum

AN: I don't know off the top my head. We spend a large amount of money on the 65-year-old site, both capital and repairs/maintenance to keep modernising the asset. There are a number of projects that we've identified that will continue to improve the facility both from a working standpoint and from an aesthetic point of view.

Facilitator (after the Forum)

I will follow Q82 & 83 up with AkzoNobel.

What are the drums and are they safe?

87. The Upper Stony Creek transformation project was recently completed, but residents are reluctant to use the park space specifically due to AkzoNobel's existence. Dealing with the odour and noise is one thing, but if you want to exist long-term in a residential area, what steps are you going to take to deal with the unsightly factory? At the moment there are gallon barrels stacked high, during a windy day I witnessed the barrels falling over. This seems unsafe and extremely unsightly.

Forum

AN: The drums are stored safely. I'm surprised to read you have seen drums that have fallen. This would be a very serious issue for us. The area is bunded to ensure any spills are safely contained on site and dealt with correctly. Is the incident you mention a recent one? We are regularly visited by Fire Rescue Victoria, EPA and WorkSafe both as targeted and random programmes. This has certainly increased in the last couple of years after some very serious incidents at waste treatment and storage facilities around the State.

EPA: EPA received a report alleging inappropriate storage of chemicals and conducted an investigation with the support of Worksafe and Fire Rescue Victoria. A Notice was issued for AkzoNobel to improve the engineering controls to prevent any leaks or spills. WorkSafe and Fire Rescue Victoria monitored compliance with their own regulations.

88. What are all those containers that are visible from Gilmour Road? Is it even safe outside?*

Forum

AN: The containers are raw materials used in the manufacture of our coatings. The area you can see is our bunded facility. As Sam and WorkSafe said, they're stored according to the regulations. We have regular communications with the relevant authorities. The fire authority was here on Monday to do an annual inspection.

Other Questions

89. Are AkzoNobel shareholders aware of the pollution problems at this factory? What has been their response? If they don't know, why not?*

Forum

AN: We don't have a lot of contact with shareholders. It has been escalated through our health and safety department to my manager in the region, it then gets escalated to his manager who is head of manufacturing and sits on the board in Amsterdam. It has been escalated to that level, which is the highest level within AkzoNobel.

90. EPA and Brimbank Council have a 'memorandum of understanding'. How does this work and could the Brimbank Council play any role in helping to resolve this issue considering residents' land value has significantly decreased due to noise and air pollution?

Forum

Brimbank City Council: Brimbank continues to work closely with the EPA on this issue. We respect that the EPA is the primary agency for monitoring AkzoNobel and ensuring compliance under their license

and authorisations. The MOU with the EPA outlines our way of working together within our respective legislated powers. *Kelvin Walsh Brimbank. City Council*

91. Do any of your products produced at Sunshine North have sustainability/environmental ratings? (marketed as sustainable/eco-friendly etc.)

Forum

AN: We have a number of eco-friendly products, in particular our powder coatings. We also make a number of water-based products.

92. Will it take a class action from the community before AkzoNobel put our health over profits?

Post Forum

AN: AkzoNobel is committed to being a good neighbour and ensuring the community is kept updated on AkzoNobel future plans and any issues. Complaints received are taken seriously and responded to in an effective and transparent manner.

We will organise more regular forums to discuss issues. We will engage physically face to face where possible. In view of Covid-19 situation, we will use Zoom Meeting and not Zoom Webinar to facilitate better interactions. We have also set up a Community webpage to ensure we provide regular updates on our efforts, and we welcome feedback via email and our hotline.

93. Regarding the unsightly appearance of the factory and the long-term existence of the factory in a residential area. People don't want to use the parkland across the road due to the unsightly appearance of the factory. I believe \$14 Million Council funds was spent on the Upper Stony Creek transformation project, but residents are reluctant to use the parkland due to AkzoNobel's existence. What steps are AkzoNobel taking to improve the unsightly appearance of the factory?

Post Forum

AN: We are currently undertaking a number of projects to improve the facility and would welcome input from the community to improve the appearance of the site.

94. What is the procedure to support and protect residents in the event of a factory-originated emergency?

Post Forum

AN: In the event of an emergency, with respect to managing the event as well as public safety, the emergency services will control the situation. AkzoNobel has an emergency plan and onsite response team which is enacted if needed. We work closely with the emergency services and our plans are reviewed and practiced regularly.

95. Will there be any process, by AkzoNobel, EPA or Kismet Forward to gather qualitative data about the various personal and physical impacts of this pollution? Is this planned?

Forum

EPA: We look at all the pollution reports and get information from those about impacts people are feeling. Often we might get further qualitative information about physical impacts. This has in the past assisted issuing remedial notices as it can characterise the effects on residents, and how the odour or noise is having a detrimental impact. But there's nothing we would do there particularly given what's been measured and monitored is within the safe levels. We'll keep considering and reviewing what the actual monitoring and information comes back on.



AkzoNobel Sunshine North Community Forum

6:30pm - 8:30pm (*Log in from 6:20pm*)
4 March 2021

To be conducted online via Zoom Webinar
Community questions welcome: submitted beforehand via Survey Monkey and via the Q&A function during the meeting.

PURPOSE OF THE SESSION:

- To enable community members to ask questions and discuss their concerns regarding noise and odour
- To enable local AkzoNobel management to provide an update about plans and progress to resolve issues
- To hear directly from EPA Victoria staff about compliance and enforcement

AGENDA

- Welcome (Peter Black, Site Manager)
- Meeting introduction (Jen Lilburn, independent facilitator)
- Community questions and feedback
- Peter Black (Site Manager, AkzoNobel Sunshine North): progress update and response to questions
- Stephen Landsell (Western Metropolitan Regional Manager, EPA Victoria) and Sam Sparks (Senior Environment Protection Officer): compliance/ enforcement update and response to questions
- Final community comments and questions
- Closing