

AkzoNobel Pty Ltd  
*Communications and Engagement Strategy*



≧ March 2021 ≦

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## 1. Introduction and Background

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

The Environment Protection Authority (EPA) has received community reports (including from a local community group, Stop AkzoNobel Pollution Action Group (SANPAG), comprising 120 members) regarding concerns about health, odour and noise emitted from AkzoNobel Sunshine.

AkzoNobel wants to be a good neighbour and generate community confidence that its operations will not cause negative offsite impacts. It is committed to addressing the concerns that have been raised and sustaining effective community engagement and relationships.

### 1.1 Purpose of this Document

Kismet Forward has been engaged to produce this Strategy to guide AkzoNobel's ongoing communication and engagement activities to improve community relationships and build social license.

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<sup>1</sup> <https://www.investopedia.com/terms/s/social-license-slo.asp>

<sup>2</sup> *ibid*

## 2. Engagement Parameters

### 2.1 Social license

Social license refers to the *ongoing acceptance of a company or industry's standard business practices and operating procedures by its employees, stakeholders and the general public*<sup>1</sup>.

'Stakeholders' are individuals or organisations that affect or can be affected by AkzoNobel. In this context, the term refers to neighbours/ affected community members and the EPA.

Social license is created and maintained slowly over time as a company's actions build trust with the community it operates in and other stakeholders. A company must be seen to be operating responsibly, taking care of its employees and the environment, and being a good "corporate citizen". When problems occur, the company must act quickly to resolve the issues or the social license to operate is put in danger<sup>2</sup>.

The phases of building social license are summarised below<sup>3</sup>.

<sup>3</sup> On Common Ground Consultants Inc, sourced from <https://sociallicense.com/definition.html>



In practice, the initial basis for social legitimacy comes from *authentic* engagement with community members and providing information about the issue, the company and what may happen in the future and then answering all questions<sup>4</sup>.

The biggest deterrent to the building of social licence for AkzoNobel is the perceived history of insufficient action to address local community members' concerns.

It is crucial that AkzoNobel not only promptly addresses the concerns but commits to sustained and authentic community engagement.

To build social license, companies must *first do the right thing and then be seen doing the right thing*<sup>5</sup>. This means evaluating and re-evaluating operational and management systems to ensure that they are meeting contemporary standards and expectations.

<sup>4</sup> Ibid

## 2.2 Goal and Engagement Objectives

The goal for AkzoNobel is to improve its relationships with the community to strengthen its *social license to operate its Sunshine facility*.

The following measurable short-medium term objectives for engagement will assist the achievement of this goal:

1. To improve relationships with local community members by open, direct, authentic and timely communication. AkzoNobel is committed to being a good neighbour.
2. To meet community expectations regarding how AkzoNobel provides information and responds to community concerns with an initial emphasis on addressing current issues..
3. To build community understanding of AkzoNobel and its commitment to social and environmental responsibility by genuine ongoing engagement with the local community.

Each of the above objectives will involve activities in February 2021 and then ongoing.

<sup>5</sup> <https://www.investopedia.com/terms/s/social-license-slo.asp>

## 2.3 Engagement Principles

The following principles apply to all forms of engagement undertaken by AkzoNobel:

AkzoNobel treats all community members with **respect**.

- People who raise concerns about being affected by the operations of AkzoNobel are engaged proactively and personally to resolve issues to the satisfaction of all parties.
- All interactions with community members are respectful and characterised by active listening to understand concerns. Issues are non-defensively acknowledged, and the circumstances surrounding them are fully and transparently explained. A timeframe for response to the issues is given and adhered to.

AkzoNobel is **responsive, accessible** and **accountable**.

- A designated staff member acts as a single liaison point for interactions with the community.
- In the event of an odour or noise report, the liaison delegate immediately meets (if possible) with complainant/s in the affected area to discuss their concerns.
- All correspondence and messages from community members are acknowledged as soon as they are received and again (in writing) when the matter has been addressed, detailing what was done and how community feedback was used.

- AkzoNobel honours all commitments made. When changes in circumstance lead to a promise or timeframe not being fulfilled, the community member is contacted with a full explanation.
- AkzoNobel draws upon local insights, values and knowledge to inform its engagement approach and response to issues.

AkzoNobel is **clear, honest** and **transparent** in its communication.

- Communication materials are written to build understanding rather than brand reputation. They contain simple and clear messages and are written in plain English.
- Information of relevance to community members is easily accessed. We will develop an online repository of information easily accessible by members of the community.
- AkzoNobel will monitor its activities to ensure its engagement is working and adjust its approach where needed.

AkzoNobel is committed to **ongoing community engagement**.

- In addition to ad hoc engagement related to emerging issues, AkzoNobel commits to building a program of ongoing community engagement activities such as regular forums, an annual open day, and an AkzoNobel Neighbours Reference Group.

## 2.4 Negotiables and Non-negotiables

The known negotiable and non-negotiable elements of the engagement process (at the time of document preparation) are shown below. These elements describe what community members and other stakeholders can – and can't – influence and will assist in ensuring that expectations are appropriate and managed.

This list will be further clarified and developed over time.

### Negotiables

- AkzoNobel staff will be willing to negotiate ways of resolving issues, e.g. ceasing night time processes involving noisy milling equipment until further noise control measures are put in place.
- AkzoNobel staff will be open to discussing reasonable and fair requests.
- Residents will be encouraged to directly ring the AkzoNobel hotline when they have an issue or question so that staff have a greater opportunity to resolve the issue quickly. Live checks on noise or odour are highly preferable to a group report from EPA re historic community complaints.
- AkzoNobel staff will work with community members to improve site appearance, e.g. asking community members to provide ideas and suggestions regarding landscaping and painting.

### Non-negotiables

- Equipment will be replaced or enclosed, according to EPA requirements, to address offsite impacts.
- Continuation of operations.
- Ensuring shareholders' needs continue to be met.

## 2.5 Stakeholders

Stakeholders are individuals or organisations that affect or can be affected by project decisions. The needs, attitudes and

perceptions of stakeholders will vary and evolve throughout the engagement process.

Stakeholders for this project are described below.

Stakeholder Category	Details	Level of Engagement (See section 3.1)																				
<p><b>Immediate Concerned Neighbours</b> (Concerned about odour, noise and health)</p>	<p>People who live up to (approx.) 1.5km to the north west, north and east of the site, including (but not limited to) those on the following Sunshine North roads:</p> <table border="0"> <tr> <td>Barwon Avenue</td> <td>Boisdale Avenue</td> </tr> <tr> <td>Camperdown Avenue</td> <td>Cary Street</td> </tr> <tr> <td>Clayton Street</td> <td>Compton Parade</td> </tr> <tr> <td>Cranbourne Ave</td> <td>Dunkeld Avenue</td> </tr> <tr> <td>Gilmour Rd</td> <td>Hammond Street</td> </tr> <tr> <td>Hassett Street</td> <td>Holehouse St</td> </tr> <tr> <td>Laurie Ave</td> <td>Melton Avenue</td> </tr> <tr> <td>McIntyre Road</td> <td>McLeod Street</td> </tr> <tr> <td>Sandford Avenue</td> <td>Suffolk Road</td> </tr> <tr> <td>Urana Avenue</td> <td>Warrick Road</td> </tr> </table>	Barwon Avenue	Boisdale Avenue	Camperdown Avenue	Cary Street	Clayton Street	Compton Parade	Cranbourne Ave	Dunkeld Avenue	Gilmour Rd	Hammond Street	Hassett Street	Holehouse St	Laurie Ave	Melton Avenue	McIntyre Road	McLeod Street	Sandford Avenue	Suffolk Road	Urana Avenue	Warrick Road	<p>Involve</p>
Barwon Avenue	Boisdale Avenue																					
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Urana Avenue	Warrick Road																					
<p><b>Other Local Residents</b> (Concerned primarily about odour and health)</p>	<p>People who live in the suburbs of Albion, Ardeer, St Albans, Sunshine, Sunshine West.</p>	<p>Involve</p>																				
<p><b>Stop AkzoNobel Pollution Action Group (SANPAG)</b> (Concerned about odour, noise and health)</p>	<p>Facebook-based advocacy group comprising 120+ Immediate Concerned Neighbours and Other Concerned Local Residents.</p> <p>Committee members assist when asked to ensure that engagement is appropriately targeted.</p>	<p>Involve</p>																				

<b>Stakeholder Category</b>	<b>Details</b>	<b>Level of Engagement (See section 3.1)</b>
<p><b>City of Brimbank</b></p> <p>(Concerned about odour, noise and health impacts on residents and ensuring that planning regulations are complied with)</p>	<p>Councillors Tachos and Nguyen, who actively advocate for concerned residents</p> <p>Council staff including Director City Development and Strategic Coordinator Planning Compliance</p>	Involve
<p><b>EPA Victoria</b></p> <p>(Concerned about compliance with the Environment Protection Act and ensuring that engagement addresses the needs of stakeholders)</p>	<p>Including Regional Manager Melbourne West, Senior Compliance Officer, Engagement Facilitator.</p> <p>All provide direction and assistance to ensure that engagement is appropriately targeted.</p>	Collaborate
<p><b>General Community</b></p> <p>(Concerned about odour, noise and health impacts)</p>	<p>Includes community members from further afield who may know Immediate Concerned Neighbours and Other Concerned Local Residents or are otherwise interested in the issues due to reports in local newspapers. The media is included in this category.</p>	Inform



### 3. The Engagement Approach

#### 3.1 Engagement Plan Summary

The following plan is based on the International Association of Public Participation's engagement model as adapted by the Victorian Auditor-General's Office (See Attachment 1). The fifth level of engagement is 'Empower.' Due to this project's objectives, this level of engagement is not relevant. AkzoNobel has elected not to

Level of engagement	INFORM & EDUCATE	CONSULT	INVOLVE	COLLABORATE
AkzoNobel's commitment to community and stakeholders	We will keep you informed and build your understanding of our operations.	We will keep you informed and will listen to and acknowledge your concerns.	We will work with you to exchange information, ideas and concerns.	We will engage with you on matters of common concern, working with you to develop alternatives and solutions.
Stakeholder category (as described in Section 2.5)	General community	Immediate Concerned Neighbours, Other Concerned Local Residents	SANPAG, Immediate Concerned Neighbours, Other Concerned Local Residents, City of Brimbank	EPA Victoria
Engagement Tools and Methods (Refer to next section for detail)	<ol style="list-style-type: none"> <li>1. A 'community' page on the AkzoNobel website or other online repository</li> <li>2. This Plan</li> <li>3. Fact Sheets</li> <li>4. FAQ</li> <li>5. Regular progress updates</li> <li>6. Updates in local media</li> <li>7. Social media (with permission of SANPAG)</li> </ol>	<ol style="list-style-type: none"> <li>Tools 1-7 PLUS</li> <li>8. An annual Community Open Day</li> </ol>	<ol style="list-style-type: none"> <li>Tools 1-8 PLUS</li> <li>9. Community Forums</li> <li>10. One-on-one and small group meetings</li> <li>11. AkzoNobel Neighbours Reference Group</li> <li>12. Community members involvement in monitoring.</li> <li>13. Identify and include Culturally and Linguistically Diverse Community members who may be interested.</li> <li>14. Issues log</li> <li>15. Direct phone hotline</li> </ol>	<ol style="list-style-type: none"> <li>Tools 1-15 (as relevant and appropriate)</li> <li>16. Formal and informal meetings and correspondence</li> </ol>

### 3.2 Engagement Tools and Methods in Detail

Level of Engagement	Tools and Methods	Timeframe and Responsibility
<p><b>'Inform' Tools and Methods</b></p> <p>Includes general communications tools that seek to keep general community members informed (and assist their understanding) about AkzoNobel, its operations and progress towards addressing stakeholder concerns.</p> <p>They are written/produced with the target audience (general community) in mind.</p>	<p>1. A 'community' webpage for information of community interest, including Fact Sheets, Frequently Asked Questions (FAQs), community updates and announcements, reports and videos of Community Forums, monitoring data etc.</p>	<p><i>COMPLETE</i></p>
	<p>2. This <i>Communications and Engagement Strategy</i> will be made available to community members so that they can understand the commitment of AkzoNobel to transparent and authentic engagement</p>	<p><i>Following EPA Approval of the Plan (AkzoNobel Communications Manager)</i></p>
	<p>3. Production of <i>Fact Sheets</i> and document regarding odour and noise and plans from AkzoNobel to address concerns. Final versions to be discussed with SANPAG committee members before broader dissemination to the community</p>	<p><i>Initial series – COMPLETE</i> <i>Updates as further information or progress is achieved.</i> <i>(Communications Consultant)</i></p>
	<p>4. Maintenance of a <i>Frequently Asked Questions</i> document that addresses common questions, particularly regarding issues and operations.</p>	<p><i>Keep FAQ documents current</i> <i>(Communications Consultant)</i></p>
	<p>5. <i>Regular updates</i> about progress to keep residents abreast of progress towards resolving the issues and engagement opportunities. To be emailed directly to the project mailing list and sent to SANPAG with a request that it is posted on the SANPAG Facebook group.</p>	<p><i>Ongoing, as information is available</i> <i>(Engagement Consultant)</i></p>
	<p>6. <i>Updates in local media</i> about site operations, progress and successes in remediating issues</p>	<p><i>Initial release – COMPLETE</i> <i>Updates as further information or progress is achieved.</i> <i>(Communications Consultant)</i></p>

Level of Engagement	Tools and Methods	Timeframe and Responsibility
	7. <i>Social Media</i> : Working with SANPAG to distribute information through their private Facebook group.	<i>Ongoing, as information is available (Engagement Consultant)</i>
<b>'Consult' Tools and Methods</b> Includes opportunities for Immediate Concerned Neighbours and Other Concerned Local Residents to increase community understanding about site operations and what is being done to address social and environmental concerns.	8. An <i>annual Community Open Day</i> that enables local community members to view the site and ask questions about operations etc.	<i>Initial Open Day by 30 September 2021, then annually. (Site Manager)</i>
<b>'Involve' Tools and Methods</b> Includes opportunities to work with Immediate Concerned Neighbours, Other Concerned Local Residents, SANPAG and City of Brimbank	9. <i>Community Forums</i> to enable residents to outline their concerns and hear directly from AkzoNobel representatives and consultant specialists about plans, progress and monitoring results.	<i>Forum 1: 4 March 2021            Forum 2: 31 March 2021            Forum 3: late April-mid May 2021            Thereafter as progress is achieved (Engagement Consultant)</i>
	10. <i>One-on-one and small group meetings</i> (onsite and offsite) both in response to complaints and questions, and to proactively discuss successes, initiatives and issues.	<i>Ongoing as required (Site Manager)</i>
	11. <i>AkzoNobel Neighbours Reference Group</i> , a quarterly invitation-only forum of the relevant neighbours will be held to discuss performance, progress and initiatives regarding odour and noise. The Terms of Reference will be made available via the community page on the website.	<i>First meeting by 30 June 2021, then quarterly. (Site Management and Engagement Consultant)</i>
	12. Opportunity for <i>community involvement in monitoring</i> to help address concerns about monitoring integrity and independence.	<i>Invitation for observation of air monitoring by 30 April            Invitation to provide data about effectiveness of carbon filter – initial invite COMPLETE, follow up by 30 April 2021            (Engagement Consultant)</i>

<b>Level of Engagement</b>	<b>Tools and Methods</b>	<b>Timeframe and Responsibility</b>
	13. Work with City of Brimbank and EPA Victoria to identify and include Culturally and Linguistically Diverse Community members who may be interested in the project.	<i>By 30 April 2021 (Engagement Consultant)</i>
	14. An <i>Issues Log</i> of community complaints will be maintained by AkzoNobel, detailing the date/time and nature of the concern, when the initial response was made and when the follow-up response (detailing any action) occurred.	<i>Set up COMPLETE Ongoing management of log by Site Manager</i>
	15. Provision of a hotline to enable community members to contact AkzoNobel directly to discuss concerns.	<i>COMPLETE Ongoing staff training by Site Manager</i>
<b>'Collaborate' Tools and Methods</b> Involves working with officers of EPA Victoria to discuss options to address community concerns.	16. <i>Formal and informal meetings and correspondence</i> to work through community concerns and compliance issues.	<i>Ongoing as required (Site Manager)</i>

## 4. Engagement Risks and Risk Management

Engagement Risk	Likelihood of risk occurring (L/M/H)	Consequence of risk occurring (L/M/H)	Engagement Strategy for managing risk/ issue
Community outrage or aggression at meetings	M-H	M-H	<p>Authentic engagement and listening to community concerns; implement Engagement Plan and provide opportunities to discuss concerns at times that suit community members</p> <p>Actively listen to comments provided by all stakeholders</p> <p>Clearly articulate what can be done and why the 'givens' are not negotiable</p> <p>Use appropriate language to help build relationships and be accountable</p> <p>Clearly state how feedback will be used and when AkzoNobel will respond</p> <p>Trust Kismet Forward facilitator to manage aggression pre and during meetings</p>
Disingenuous engagement approach (e.g. AkzoNobel not taking community concerns seriously)	M-H	H	<p>Commitment to effective, respectful and clear communication and timely response</p> <p>Be accountable for commitments made and provide timely responses and updates</p>
Perception of public health risk	H	H	<p>Ensure accurate information is available to the media and community through a range of avenues e.g. social media, newsletters, fact sheets etc., as soon as it is available.</p> <p>Ensure that communication materials are not written in 'spin.'</p>
Negative or inaccurate media exposure	M	M	<p>Communications Consultant to:</p> <ul style="list-style-type: none"> <li>-Proactively inform the media (e.g. briefings, press releases) of successes and initiatives</li> <li>-Ensure accurate information is available to the media and community through a range of avenues e.g. social media, newsletters, fact sheets etc</li> </ul>
Delays in approvals impacting on commitments to the community and other external stakeholders, including media.	L-M	H	<p>Work with internal stakeholders involved in the approvals process to streamline the approvals process where possible. Secure pre-approval on key messages and media Q&amp;As, and authorisations for Australia-based team to respond to media as required if international communications leads are unavailable.</p>




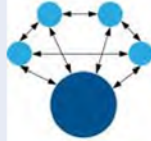
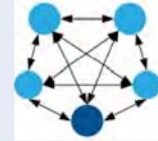
Engagement Risk	Likelihood of risk occurring (L/M/H)	Consequence of risk occurring (L/M/H)	Engagement Strategy for managing risk/ issue
Increased media interest and exposure, e.g. reporters/crews showing up onsite, ambushing employees	L-M	H	Frontline personnel (receptionist?) at the site informed of potential risk and provided instructions on managing calls. Forge Communications team's details to be provided, so they can be alerted and dispatched to site. Communicate to employees to reinforce media policy, provide instructions on how to manage media.
From 1 July 2021, under new EPA Act, AkzoNobel will need to use the community as their best data source on whether their controls are working well	H	H	Authentic engagement and listening to community concerns; implement Engagement Strategy and provide opportunities to discuss concerns at times that suit community members Ensure community involvement in the development of ongoing monitoring processes

## Attachment 1: Levels of Community Engagement

The following diagram is an adaptation of the International Association for Public Participation's *Public Participation Spectrum*, as depicted in the Victorian Auditor-General's Office *Public Participation in Government Decision Making: A Better Practice Guide*.

It describes the various levels of community engagement, including the objective of each and what the organisation must commit to when deploying each.

This model has been developed for use by government agencies, however its content is equally relevant to engagement undertaken by AkzoNobel.

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
LEVELS					
OBJECTIVE	To provide balanced and objective information to support understanding by the public.	To obtain public feedback on analysis, alternatives and/or decisions.	To work with the public to ensure concerns and aspirations are understood and considered.	To engage with the public on each aspect of the decision, including the development of alternatives and a preferred solution.	To create governance structures to delegate decision-making and/or work directly with the public.
COMMITMENT	To keep the public informed.	To listen to and acknowledge the public's concerns.	To work with the public to exchange information, ideas and concerns.	To seek advice and innovations from and amongst various public parties.	To work with the public to implement agreed-upon decisions.
DESCRIPTION	<p><b>Participation</b></p> <p>The first two public participation levels—Inform and Consult—typically occur when a decision has already been made, and government wants to either communicate that decision to the public, or seek opinions on the decision.</p>		<p><b>Engagement</b></p> <p>The third and fourth public participation levels—Involve and Collaborate—have two way information flows, and include sharing information within and across stakeholder communities during the decision-making process.</p> <p>When undertaking Engagement, decision makers commit to using stakeholder feedback to inform the decision and shape the outcome.</p> <p>Activity that occurs at the Collaboration level is also sometimes referred to as partnering.</p>		<p><b>Empowerment</b></p> <p>The fifth public participation level—Empower—is also often referred to as co production, where decisions are made jointly between government and the community.</p> <p>This is typically when decision-making authority has been delegated to a group including members from both the government and the community/industry.</p>