

PRESS RELEASE

\$28.9 Million Phase I Cleanup of Formosa's Discharged Plastic Nurdles in Cox Creek Begins

1824 Truckloads of Contaminated Soils and Vegetation to be Removed

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September 14, 2022. Point, Comfort, Texas- A contract was signed Tuesday, September 13, authorizing the October 2022 commencement of a \$28.9 million Phase I cleanup of plastic nurdles discharged by Formosa Plastics into Cox Creek in Point Comfort, Texas. The cleanup is required by a January 2020 federal court settlement of the largest citizen Clean Water Act suit in history brought by San Antonio Bay Estuarine Waterkeeper and its Executive Director, Diane Wilson against Formosa Plastics, Texas and Formosa Plastics, USA for their discharges of plastics into Lavaca Bay and Cox Creek. The plaintiffs were represented in the Clean Water Act suit by Jennifer Richards of Texas RioGrande Legal Aid and private attorneys Amy Johnson, of Portland, Oregon, David Frederick of Austin, and David Bright of Corpus Christi.

Diane Wilson explained. "I am glad Cox Creek is finally getting cleaned up. I am tired of seeing pellets on the creek. Everyone should be accountable -- even wealthy, international polluters like Formosa."

Formosa agreed to pay \$50 million in environmental mitigation fines in settling the suit, and additional daily fines for future discharges, which to date are an additional \$7.4 million for the 330 days of discharges of plastics by Formosa after the settlement. Formosa's most recent discharge of plastics into Cox Creek occurred on September 8, 2022, as documented by the Monitor hired under the Consent Decree, Global Environmental Assessments and Response.

The settlement required zero discharge of plastics. 323 of the days of discharges of plastics were for plastics going into Lavaca Bay; those were detected by a new Wastewater Sampling Mechanism (WSM) that continuously monitors Formosa's wastewater discharge into the bay.

All mitigation payments go into the Matagorda Bay Mitigation Trust (https://mbmtrust.com/) for local environmental projects. Formosa is an international plastics corporation; according to a KPMG audit, Formosa USA's net profits in 2017 were \$880 million.

The Phase I cleanup requires the excavation of soils and removal of plants that are littered with plastic nurdles. The soils removed will fill 1,824 20-yard dump trucks — approximately 32,840 tons of soil and debris. A nurdle is a hard, small, spherical pellet, about the size of a baby aspirin and is produced from petrochemicals. Nurdles are used in the manufacture of plastics. This April 22, 2022, photo shows Formosa's pellets on the shores of Cox Creek, contained by an orange boom at Formosa's stormwater outfall 06:

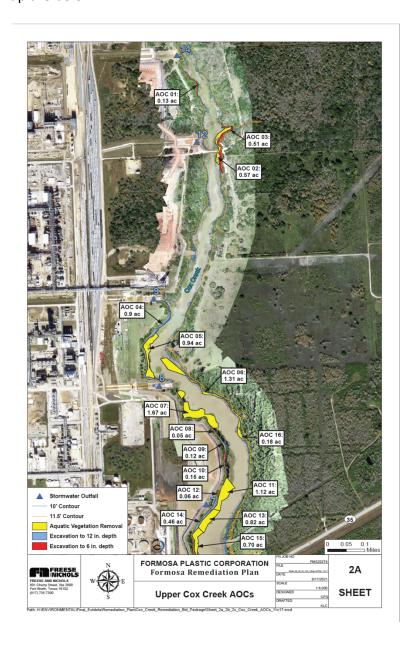


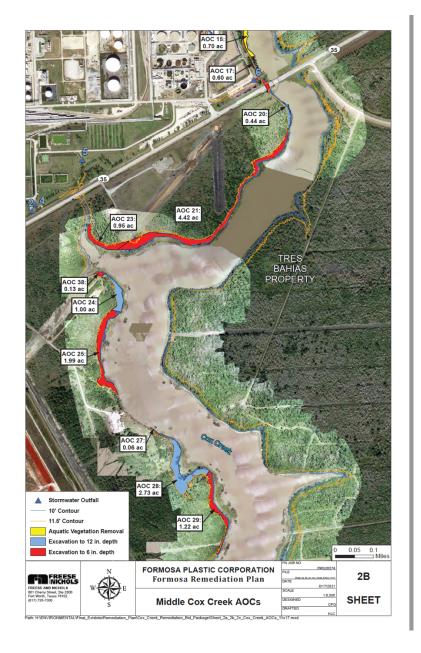
Formosa's Nurdles Discharged on the Shores of Cox Creek
Outfall 006, April 22, 2022
Photo by Diane Wilson

Plastics do not decompose and will persist in the environment for 100s to 1000s of years. Research shows that wildlife will eat nurdles, which can suppress their appetite. "Several fishermen told the Waterkeeper volunteers that they had seen nurdles in the bellies of redfish and trout they had caught," Diane Wilson explained. Another fisherman testified during the Formosa trial about seeing birds dive into plastic floating in Lavaca Bay. Some nurdles discharged by Formosa in Lavaca Bay have small amounts of mercury that has adhered to them (Lavaca Bay was a superfund site due to a discharge of mercury by Alcoa).

The settlement is memorialized by a Consent Decree, approved and overseen by Federal Judge Kenneth Hoyt of Houston. The Consent Decree requires the appointment of a remediation consultant to design and manage the cleanup. Freese & Nichols, Inc., (FNI) a national environmental consulting firm founded in Texas, was hired in 2020 as the remediation consultant. The Phase I cleanup, designed by FNI and agreed to by Waterkeeper and Formosa, requires the cleanup of nurdles and removal of soils in 26.15 acres of land and water on property of Formosa and Alcoa. (An additional 13.52 acres of land and water on privately

owned land called Tres Bahias may also be cleaned.) Entact, LLC, a national firm, will undertake the cleanup. Entact will remove 6 to 12" of soil and vegetation in areas with particularly dense pellets; that contaminated soil will be disposed of in a landfill. The excavated areas will then be planted with native plants. The Phase I cleanup areas could increase as the cleanup is undertaken. The Phase I cleanup should be finished in two years. Maps showing the locations of the cleanup are below.





FNI will also design a surface cleanup for plastics on the surface of soils on the shores of Cox Creek, as well as for Lavaca Bay, where Formosa Plastics discharges its treated industrial wastewater.

Wilson stated, "I can't wait to walk the shores of Cox Creek and not see pellets-ever again! I'm sure the fish will be happy, too."