



# **Kütahya Health Campus Project**

Environmental and Social Construction  
Monitoring Report - November 2022 Progress

January 2023

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# Executive summary

Mott Mac Donald (MMT) Turkey was contracted to conduct Environmental and Social Due Diligence (ESDD) Study by Dumlupınar Sağlık Hizmetleri A.Ş. (the Project Company) for assessment of Kütahya Health Campus Project (the Project) funded by 'İş Bank', 'Ziraat Bank', 'Industrial and Commercial Bank of China, Turkey (ICBC)', 'Industrial Development Bank of Turkey (TSKB)', and 'Asian Infrastructure Investment Bank (AIIB)'. As a result of the study, a limited number of gaps were identified and the environmental and social issues identified were not considered red flags or high risk.

MMT was engaged by the Project Company to conduct environmental and social (E&S) construction monitoring and E&S operation monitoring studies in order to review compliance of the Project in line with Environmental and Social Action Plan (ESAP), relevant the national and international requirements and construction stage Environmental and Social Management System (ESMS) commitments and required permits. Please review ESAP Status Table in Section 2.7 for implementation status of ESAP item.

This Construction Monitoring Report No. 03 for November 2022 progress has been prepared based on the data received from the Project Company and the EPC Contractor for November 2022 and the information obtained on the MMT's site visit dated 29 December 2022. The document request list provided to Project Company and the EPC Contractor was prepared for the information and documentation belonging to November 2022. Therefore, the information and documentation discussed in this report represents the situation in November 2022. The next monitoring study is planned to be conducted in January 2023 and will be based on the information and documentation for December 2022.

## Project Description

The Project consists of a 510-bed capacity General Hospital to be constructed on 149,926 m<sup>2</sup> land area located in Kütahya city center, and a 100-bed capacity Physical Therapy and Rehabilitation Hospital (PTRH) to be constructed on 31,263m<sup>2</sup> land area located in the Yoncalı neighbourhood at approximately 16 km from the centre of Kütahya.

According to information obtained from the EPC Contractor average number of workers were 1721 in the Current Period while the peak number of workers were reached to 1826. As of 30 November 2022, a total of 38 subcontractor companies were actively working on site. The Project Company has confirmed that initial construction activities (e.g.: earthworks, site clearance, excavations etc.) have been almost completed; while construction activities associated with the architectural, electrical, mechanical, infrastructure elements of the Project are still on-going. As by the end of November 2022, overall progress completion for the Project was estimated by the EPC Contractor at 63.18%.

## Health, Safety and Environmental (HSE) Organizational Capacity

The EPC Contractor increased the number of HSE personnel in the Current Period and has 12 HSE personnel in the Project site which consists of ten HS Officers, contracted from the external third-party joint health and safety unit (JHSU), one Environmental Engineer, and one HSE Chief which reports to the Site Chief.

Given MMT's observations on the similar construction sites of similar size and magnitude; and given the need for establishing robust site inspection system (detailed in below sections); MMT is in opinion that the number of HS Officers should continue to be increased.

In addition to the HSE personnel, there is a medical team of a medical team of one doctor and one health personnel.

### Environmental and Social Management System

The ESMS generated specific for the construction phase is in place. ESMS documents have previously reviewed by MMT and found to be in line with IFC Performance Standards. However, Traffic Management Plan and Stakeholder Engagement Plan need to be revised based on information detailed in the relevant sections in this Report. An Environmental and Social Management Plan (ESMP) for both construction and operational phase of the Project was prepared by MMT in line with the requirements of the Lenders taking into consideration organisational capacity and published in the project website on 27 December 2022.

### Occupational Health and Safety

MMT was provided with the records of accidents that occurred in November 2022 and the 2022-Accident Statistics document updated for November 2022. The types of accidents are fracture, laceration, slip and fall. 15 first aid accidents and five accidents with medical treatment occurred in November 2022. The number of lost time injuries that occurred in November 2022 was eight. The root causes of these eight accidents were determined as lack of attention and unawareness. Lost time injuries with 45 and 30 lost days were caused by falling from height while the injury with 15 lost days was due to material slipping from the worker's hand. In addition, there is no recorded near miss notification in the Current Period. Employees should be trained about the near misses and encourage to report near misses. All near misses should be recorded.

In November 2022, 18 non-conformities were detected and all of them were closed. Date, responsible subcontractor, description and the close date of the non-conformities were recorded. Non-conformities were about PPE usage, equipment maintenance, the risk of falling and scaffolds. MMT is in opinion that the number of non-compliances is quite low considering the time interval. All non-compliances should be recorded and tracked via Non-conformity and Corrective - Preventive Action Follow List even if the non-compliances could be easily closed. The EPC Contractor added list of accidents occurred since March 2022 to date in the HSE Non-conformity and Corrective - Preventive Action Follow List as recommended in the previous reports. The dates of the accidents, lost days, health and safety refresher training dates and company names are specified in the list. Also, the reference to the related corrective preventive action report is given.

Periodic inspections of work equipment/machinery have been performed. All equipment used by subcontractors are included in the tracking list of periodic maintenance for the equipment and the required period for the maintenance is given in the list. The due dates of equipment's maintenance can be tracked with the list as recommended by MMT in the previous report. A periodic maintenance spot check was done on a crane located at the PTRH construction site. The crane's information tag had an expired due date. The EPC Contractor checked the last maintenance records of the crane and informed MMT that the last maintenance date was 16 March 2022 and the next periodic maintenance will be performed by 16 March 2023 since the maintenance period for the crane is annual. During site visit equipment with tags were observed however there were some exceptions. The EPC Contractor stated that sometimes workers are removing the labels. Equipment tags should be strictly and regularly inspected during daily walkovers conducted by HS Officers.

Work specific HSE instructions are delivered to workers prior to work. These instructions are signed by workers and kept in their personnel files. The instructions for the concrete finishing, iron cutting and bending machines were shared with MMT. The instructions contain information about responsibilities, the application of the machine and related documents. HSE risks, PPE usage, emergency contacts and other measures are explained in the instruction.



Records of Monthly OHS Committee Meeting of the EPC Contractor which was held on 28 November 2022 were shared with MMT. As stated in the Regulation on Health and Safety Committees, subcontractors with more than 50 employees should hold separate committee meetings. There were nine subcontractors with more than 50 employees during Current Period. However, there were no records of monthly OHS Committee Meetings of subcontractors for November 2022 provided to MMT for review. EPC Contractor and subcontractors with more than 50 workers should conduct committee meetings in a timely manner.

Risk Assessment includes all working areas and working equipment, work types and emergency situations. The EPC Contractor's risk analyses were prepared in September 2022; however, its subcontractors' risk analyses have not been revised to date. The risk assessments should be revised whenever there is a change in main activity, used material as well as near misses, incidents/accidents occur during the work etc. Thus, it is recommended that risk assessments are revised to reflect the current status of the construction site.

13 drills were performed in 2022 however, there were no drills conducted in November 2022. There is no spill drill conducted during the construction phase of the Project to date. However, during the site visit on 29 December 2022, The EPC Contractor informed MMT that a spill drill is conducted in December 2022. MMT will review the report in the next monitoring period.

In the hazardous material storage areas, eye showers and spill kits were present but there were no heat sensors or smoke detectors installed in the storage areas. In the hazardous material storage areas SDSs were provided however in the construction areas where the chemicals are used there were no SDSs. In addition, it was observed that the chemicals without any warning or tag were left in the construction site.

Please refer Section 2.2 for further details and the observation related OHS issues and related recommendations.

## Environment

Utility water is supplied from municipal water system for both construction sites. Water Quality Analysis from municipal water system conducted in April 2022. The results of measured parameters are in line with the Regulation on Water Intended for Human Consumption limits. However, according to the Regulation colour and turbidity parameters should also be analysed. The EPC Contractor informed MMT that they conducted the water quality analyses in December 2022. The results of the analyses will be discussed in the next monitoring period.

Wastewater from accommodation compounds, offices, and construction areas at General Hospital and PTRH sites are discharged into the municipal sewage system. 'Wastewater Connection Permit (Atıksu Bağlantı İzni) was obtained for both sites on 4 September 2018 from Kütahya Directorate of Water and Sewage Works granting that the discharge of domestic wastewater from construction sites to the city's sewer network.

The EPC Contractor constructed a temporary waste storage area at both sites. An additional waste storage unit is present at the food production (kitchen) area located in the vicinity of workers' accommodation compound, managed by the sub-contractor for catering services. The wastes were segregated in specific waste streams, as set out in the national legislation. Inside the buildings where the construction is ongoing it was observed that the waste management and housekeeping were good.

Monthly PM<sub>10</sub> and noise monitoring studies are being conducted at six monitoring points. According to Air and Noise Quality Monitoring Report issued in November 2022, PM<sub>10</sub> and noise measurement results do not exceed the limit values defined in the Turkish legislation, the IFC limit and EU limits.

Environmental accident did not occur within both construction sites in November 2022. Annual training plan does not include environmental trainings and drills. Environmental training was started to be given to workers who recently start working on the Project. Workers of seven subcontractor companies did not receive environmental training; however, as for the remaining subcontractor companies' workers the training was started to be given in November 2022.

### Labour and Working Conditions and Grievance Mechanism

Construction Camp Management Plan was prepared within the scope of the ESMS. Regular internal audits for accommodation areas are conducted with the participation of HS Officers and HR Chief. According to audit forms submitted in November 2022, poor ventilation in the rooms, drain cleaning problems, lack of liquid soap, broken toilet seat, hygiene problems in the tea service area were recorded. Necessary warnings and notifications were made and according to the audit records, deadlines were given for these mentioned issues and the necessary actions were taken.

During the site visit, it was observed that the construction of the laundry building was finished, and it is located near the accommodation compounds. The EPC Contractor employed 2 personnel for laundry operation. Workers leave their laundries in the morning and receive them clean and dried. MMT observed that the laundry detergents are not kept in air-tight containers; therefore, detergent smell was dominant in the building. Ventilation of the building was insufficient.

Accommodation areas were visited during the site visit. According to IFC Workers' Accommodation Standards, 4m<sup>2</sup> to 5.5m<sup>2</sup> surface area must be available per worker. The rooms in the accommodation area are approximately 25m<sup>2</sup> and the density of the rooms is not in line with the IFC Workers' Accommodation Standards. The number of residents in each room should be decreased to be in line with the IFC Workers' Accommodation Standards. There was no table or chair in the room and no toilet paper and liquid soap in the toilets. The number of workers in each room should be decreased to be in line with the IFC Workers' Accommodation Standards and toilet paper and liquid soap should be present in the toilets.

The EPC Contractor's Grievance Management Procedure is in place. However, it is not possible to track verbal grievances in the Workers' Grievance Track List. Verbal grievances should be recorded in Workers' Grievance Track List. Please refer Section 2.3.3. for further details regarding worker's grievance mechanism.

According to the ESAP of the Project, an independent third-party labour audit should be performed annually and this audit should include issues such as contracts, health and safety, worker protection, grievance, worker accommodation, forced and child labour. There is no labour audit performed to date and an independent third-party labour audit should be performed as soon as possible before construction finishes.

According to grievance records gathered between 22.11.2022 and 29.11.2022, no GBVH-related complaints were received. MMT will continue to review grievance records in next monitoring periods. MMT is in the opinion that most of the employees were not familiar with GBVH topics and were not educated on the matter. The EPC Contractor personnel should obtain training on handling gender-based violence and harassment cases.

### Community Health and Safety

There are 38 security personnel and one Security Chief who is reporting to HR Chief on site. The EPC Contractor stated that there was no security incident occurred to date. It was also observed that the Project sites are completely fenced. Although there are security cameras in the project areas, MMT recommends the site walkovers conducted by security personnel to be increased. An internal security audit has been conducted on 25 November 2022 by the EPC

Contractor. The EPC Contractor warned related personnel about wearing name tags in a detectable way, delivering necessary information to the security personnel working at the next shift.

As stated in the construction phase ESAP, Item 4.1; third party fire safety audit has been conducted by technical consultant of the Project Company. The report will be reviewed once it is shared by the Project Company.

### Stakeholder Engagement and Public Grievances

A Stakeholder Engagement Plan (SEP) has been established for the construction phase. SEP and grievance forms have been disclosed in the Project website. However, SEP provided in the Project website is in English language. SEP needs to be translated into local language which is Turkish to be understandable to the community and disclosed in the Project website as soon as possible. Since SEP is a living document, it also needs to be updated. The EPC Contractor informed MMT during the site visit on 29 December 2022, that the SEP is being updated as per recommended in the 2<sup>nd</sup> Construction Monitoring Report and the revision of SEP is still ongoing.

The stakeholder meetings are held every three months. The stakeholder meeting was supposed to be held in November 2022; however, in the Current Period there were no meetings held, so there are no recorded grievances from public. The next stakeholder meetings will be held in December 2022, which will be discussed in the next monitoring period.

Total 177 grievances were received from December 2020 to by the end of November 2022. The open traffic, dust and noise related 28 grievances from previous periods are still not closed, and related actions are not seen in the grievance log. It is seen in the Stakeholders' Grievance Track List that the similar grievances were closed. MMT is in the opinion that there is a shortcoming in the grievance log, and it needs to be reviewed and revised by the EPC Contractor. Remaining grievances were closed and information related the grievances were provided to the related persons.

# 1 Introduction

## 1.1 Background

Mott MacDonald Turkey (MMT) has been engaged as Lenders' environmental and social advisor by Dumlupınar Sağlık Hizmetleri A.Ş. (the 'Project Company') to support the lenders' due diligence process for the financial close, environmental and social (E&S) construction and E&S operations monitoring of the for Kütahya Health Campus Project (the "Project") in Kütahya.

Consultancy Agreement (the 'Agreement') was signed between Mott MacDonald Turkey and Dumlupınar Sağlık Hizmetleri A.Ş. (the 'Project Company') with the scope of performing E&S monitoring services during the construction phase of the Kütahya Health Campus Project (the 'Project'). The Lenders of the Project are 'İş Bank', 'Ziraat Bank', 'Industrial and Commercial Bank of China, Turkey (ICBC)', 'Industrial Development Bank of Turkey (TSKB)', and 'Asian Infrastructure Investment Bank (AIIB)<sup>1</sup>.

Kütahya Health Campus Project is based on a Public - Private Partnership ("PPP") investment-finance model. The Project Agreement for the 'Construction and Provision of Products and Services for Kütahya Health Campus by PPP Model' was signed on 29 September 2016 between the Turkish Ministry of Health (Grantor) and the Project Company. The Project Company will oversee the design, build, finance, and operation of the Project for a 25-year period.

Güriş İnşaat ve Mühendislik A.Ş. has been appointed as the EPC Contractor, while Kütahya Hastane İşletmeleri Yatırım A.Ş. has been appointed as the Facilities Management Company (FM Co), which will undertake soft FM, hard FM, and will provide medical support services.

Reference framework will be based on health, safety, social and environmental ('HSSE') requirements and standards set out in relevant regulations, IFC Performance Standards (2012), IFC Environmental, Health and Safety (EHS) as well as AIIB's ESSs.

In the Consultancy Agreement signed between MMT and the Project Company; construction monitoring reports will be issued by MMT on a monthly basis until construction activities completed. The Construction Monitoring Report No. 03 ('this Report') covers one-month period, November 2022. Project period of 1 November 2022 – 30 November 2022 will be expressed as "Current Period" within this Report.

## 1.2 Scope of Work

The scope of work includes an overview of E&S, Health and Safety performance and the extent to which the Project is in compliance with the Lender's Standards, compliance with Equator Principles, IFC EHS Guidelines, national legislation on environmental and health and safety matters, environmental and social control measures implemented by the Project Company and material E&S risks and issues associated with the Project. MMT conducts monthly environmental and social construction monitoring and prepare monitoring report during the construction phase.

The review is based on the observations made during the site visit on 29 December 2022 as well as documents and information provided by Project Company and the EPC Contractor of the Project. The documents and information received until 6 January 2023 have been considered in this Report. The document request list provided to Project Company and the EPC Contractor

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<sup>1</sup> Please note that according to the information provided to Mott MacDonald in February 2022, İş Bank and AIIB have been involved in the Project while ESDD study is on-going.

was prepared for the information and documentation belonging to November 2022. Therefore, the information and documentation discussed in this report represents the situation in November 2022. The next monitoring study is planned to be conducted in January 2023 and will be based on the information and documentation for December 2022.

### 1.3 Project Description

The Project consists of a 510-bed capacity General Hospital to be constructed on 149,926 m<sup>2</sup> land area located in Kütahya city center, and a 100-bed capacity Physical Therapy and Rehabilitation Hospital (PTRH) to be constructed on 31,263m<sup>2</sup> land area located in the Yoncali neighbourhood at approximately 16km from the centre of Kütahya.

According to information obtained from the EPC Contractor average number of workers were 1721 in the Current Period while the peak number of workers reached to 1826. As of 30 November 2022, a total of 38 subcontractor companies were actively working on site.

The Project Company has confirmed that initial construction activities (e.g.: earthworks, site clearance, excavations etc.) have been almost completed; while construction activities associated with the architectural, electrical, mechanical, infrastructure elements of the Project are still on-going. As by the end of November 2022, overall progress completion for the Project was estimated by the EPC Contractor at 63.18%. Progress rates of the General Hospital and PTRH construction sites as of 30 November 2022 are provided respectively by the below tables.

**Table 1-1 General Hospital Progress Table**

Work Description	Progress
<b>CIVIL &amp; STRUCTURAL WORKS</b>	<b>98.44%</b>
<b>ARCHITECTURAL WORKS</b>	<b>68.54%</b>
Partition walls	92.76%
Roof works	98.00%
Door, interior window and fixed furniture works	55.10%
Floor finishes	58.07%
Ceiling finishes	44.25%
Wall finishes	62.94%
<b>FACADE WORKS</b>	<b>87.22%</b>
<b>MECHANICAL WORKS</b>	<b>50.25%</b>
<b>ELECTRICAL WORKS</b>	<b>36.73%</b>
<b>INFRASTRUCTURAL &amp; LANDSCAPING WORKS</b>	<b>49.62%</b>

Source: "Progress table" provided by the EPC Contractor in January 2023.

**Table 1-2 PTRH Progress Table**

Work Description	Progress
<b>CIVIL &amp; STRUCTURAL WORKS</b>	<b>99.55%</b>
<b>ARCHITECTURAL WORKS</b>	<b>72.12%</b>
Partition walls	95.37%
Roof works	97.97%
Door, interior window and fixed furniture works	59.12%
Floor finishes	61.54%
Ceiling finishes	57.84%
Wall finishes	64.93%
<b>FACADE WORKS</b>	<b>96.79%</b>

Work Description	Progress
<b>MECHANICAL WORKS</b>	<b>67.99%</b>
<b>ELECTRICAL WORKS</b>	<b>42.44%</b>
<b>INFRASTRUCTURAL &amp; LANDSCAPING WORKS</b>	<b>69.96%</b>

Source: "Progress table" provided by the EPC Contractor in January 2023.

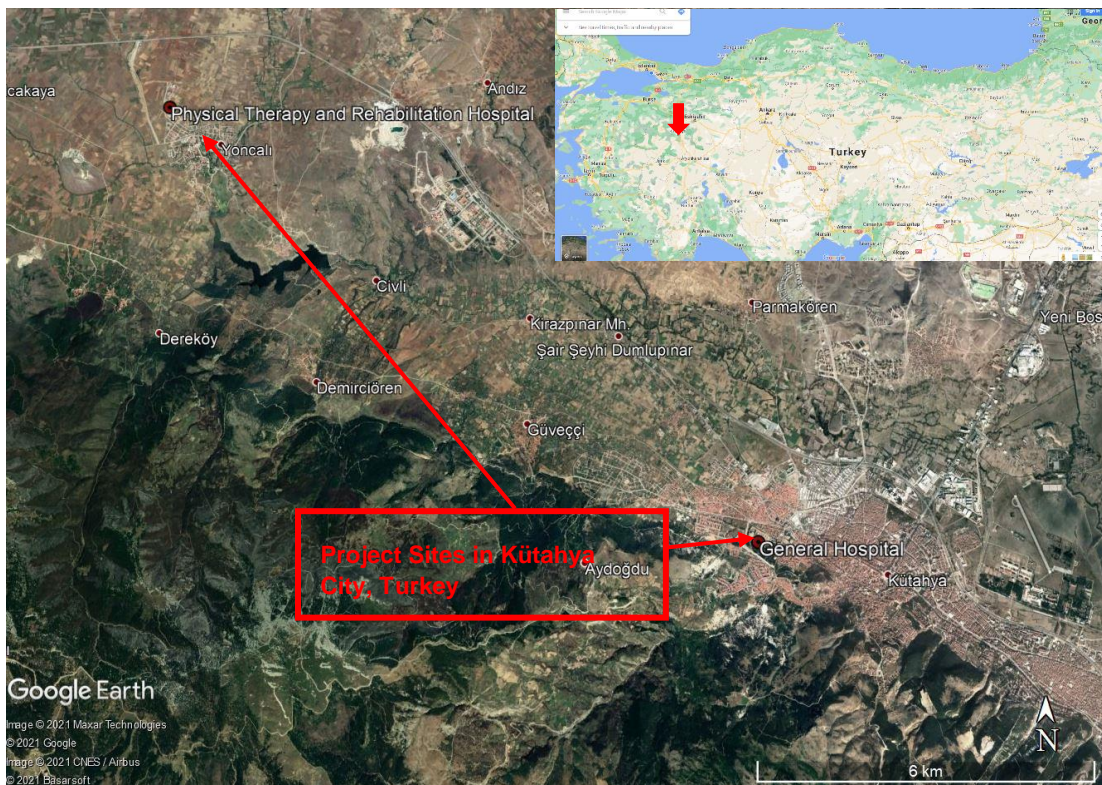
### 1.3.1 Project Sites and Location

As mentioned above, the 510-bed General Hospital of Kütahya Health Campus Project is being constructed on a 149,926m<sup>2</sup> footprint area, adjacent to the Evliya Celebi State Hospital in the Kütahya City Center. The 100-bed capacity PTRH is being constructed on a 31,263m<sup>2</sup> footprint area, in the Yoncalı Neighbourhood, at approximately 16km from the centre of Kütahya.

Kütahya City is situated in the Aegean region, neighbouring Eskişehir, Bursa, Uşak, Manisa, and Afyonkarahisar cities. According to NUTS (Nomenclature of Units for Territorial Statistics), it is placed under Aegean 1 Level, sub-district of Manisa with Afyonkarahisar and Uşak. Kütahya is linked by rail and road with Balıkesir 250km to the west, Konya 450km to the southeast, Eskişehir 70km northeast and Ankara 300km east.

Figure 1-1 below, illustrates the location of the Kütahya Health Campus Project, including the General Hospital and the PTRH, while Figure 1-2 and Figure 1-3. are depicting the respective locations of the General Hospital and PTRH footprint areas and associated neighbouring land use.

**Figure 1-1 Respective Locations of Kutahya General Hospital and PTRH**



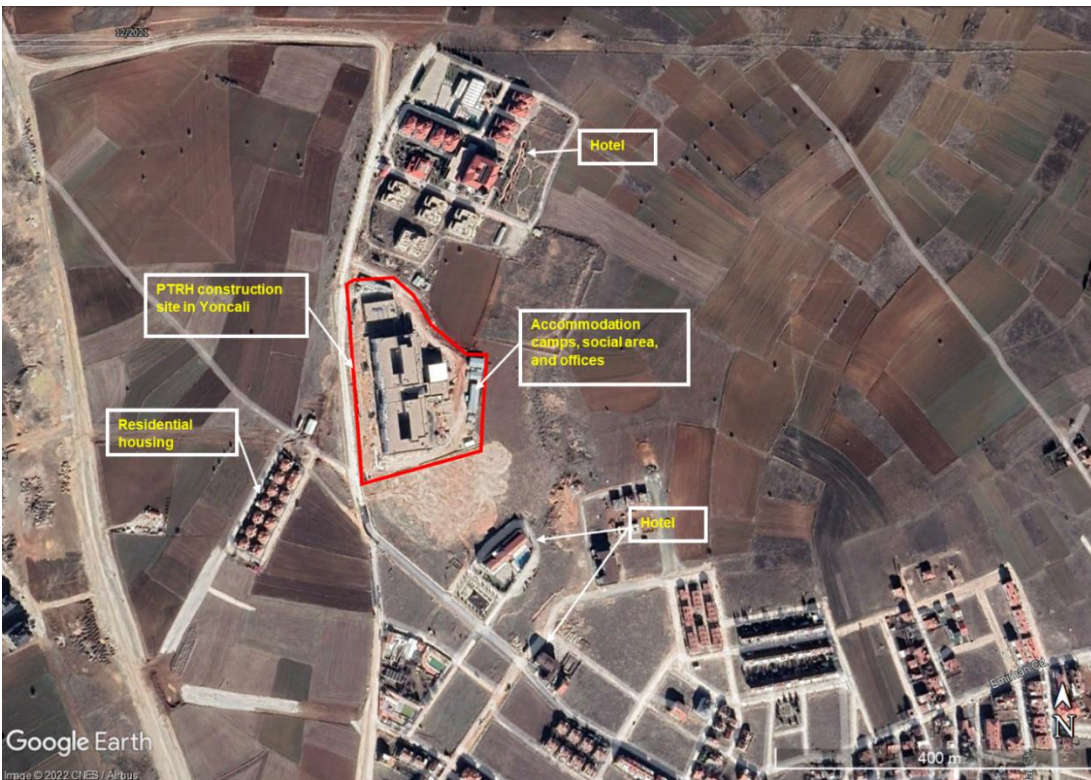
Source: Google Earth – Kütahya Health Campus Project

**Figure 1-2 Aerial View of General Hospital Construction Site at Kütahya City Center**



Source: Google Earth – Kütahya Health Campus Project

**Figure 1-3 Aerial View of Physical Therapy and Rehabilitation Hospital Site in Yoncalı District of Kütahya City**



Source: Google Earth – Kütahya Health Campus Project

The General Hospital site is located in the Kütahya city center, which supports principally residential areas and commercial units. The closest neighbouring settlements are Evliya Çelebi to the north at approximately 40-50m, Okmeydanı to the south at approximately 250m and Gültepe to the southeast at approximately 650m distance to the Project site boundaries<sup>2</sup>. The close vicinity of the Project footprint supports housing units, educational facilities, hospital facilities, businesses (pharmacy, supermarket etc.), mosques and recreational areas. Kütahya Anadolu High School and Hekim Sinan Vocational and Technical Anatolian High School are located approximately 100m (to the southeast) and 200m (to the northeast) distance to the Project site boundaries, respectively. Additionally, there are also three mosques which are located at approximately 120m (north), 150m (southeast) and 250m (northeast) distance to the Project site which are also illustrated in Figure 1-2.

The PTRH is located in the Yoncalı Neighbourhood at approximately 16km distance from the centre of Kütahya. The PTRH site is at the outskirts of Yoncalı neighbourhood and is mostly surrounded by vacant plots of lands. The close vicinity of the Project footprint supports mainly several hotels (at approximately 100m to the north, 150m to the southeast and 300m to the southeast of the Project site) and one residential housing complex (at approximately 90m to the west of the Project site). Excavation wastes are being disposed to the designated excavated material storage area at a distance of approximately 6km to the northeast of GH and 14.5km to the east of PTRH. There is not any concrete batching plant to be established in the Project site. The ready-mixed concrete is supplied from Çimsa Concrete Plant which has two operating plants located at approximately 5km distance to the east of PPTH and 27.2km distance to the southeast of PTRH (10km to the northwest and southeast of GH). As reported by the Project Company, concrete is supplied from the two above-mentioned operation plant locations depending on the planning made by the concrete plant.

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<sup>2</sup> The approximate distances regarding to the closest settlements in Gültepe and Okmeydanı neighbourhoods are retrieved from official map from the Kütahya Municipality's website (Last Access on 27.04.2022; <https://www.kutahya.bel.tr:84/keos/>).



## 2 Environment, Health, Safety and Social Management

### 2.1 Management, Monitoring and Reporting

#### 2.1.1 Environmental and Social Management System

The Project Company has developed Environmental and Social Management System (ESMS) including project specific plans and procedures to manage and monitor environmental, social and occupational health and safety performance of the construction phase of the Project. The list of ESMS plans and procedures for the construction phase are given in the 1<sup>st</sup> Environmental and Social Construction Monitoring Report.

In addition, the EPC Contractor is certified under ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and ISO 45001 (OHS Management System). Certificates were issued in March and April 2020 and are valid for a three-year period.

The EPC Contractor informed MMT during site visit on 29 December 2022, that the Stakeholder Engagement Plan (SEP) and Traffic Management Plan (TMP) are being updated as per recommended in the 2<sup>nd</sup> Construction Monitoring Report and the revisions of TMP and SEP are still ongoing. TMP and SEP should be revised, and the updated versions should be published as soon as possible.

#### Recommendation/Conclusion:

- SEP needs to be revised to include recent stakeholder activities as soon as possible. When it is finalized, it needs to be published in Turkish and English in the project website.
- TMP needs to be revised to include site specific management activities as soon as possible.

#### 2.1.2 Environmental and Social Monitoring and Reporting

The EPC Contractor has developed Project specific ESMS to manage and monitor environmental, social, and health and safety performance assessment. An ESMP for both construction and operational phase of the Project was prepared by MMT in line with the requirements of the Lenders taking into consideration organisational capacity and published in the project website on 27 December 2022. HSE Performance Forms were updated as recommended by MMT to include environmental parameters such as noise and PM<sub>10</sub> measurements, monthly electricity, gas and water consumptions in General Hospital and PTRH as recommended by MMT. Amount of waste and their types should also be included in the HSE Performance Forms.

The EPC Contractor has a Legislation Track List related to HSE consisting of related laws and legislation and their revision dates. The EPC Contractor also shared an HSE Legal Compliance Track List indicating the current situation, compliance status and necessary actions. However, there is no information about subcontractors' legal compliance. The EPC Contractor should monitor subcontractors' legal compliance.

#### Recommendation/Conclusion:

- Monthly HSE Performance Form needs to be revised to include amount of wastes disposed according to waste types.
- Legal compliance track list for the subcontractor should be prepared and regularly updated order to ensure they are in line with the local requirements.

### 2.1.3 Environmental and Social Organisational Capacity

MMT's assessment on the Project's organizational capacity on health, safety, environment, and social issues are listed below:

- The EPC Contractor provided an up-to-date HSE organisation chart reflecting the number of HSE personnel and it is understood that the EPC Contractor increased the number of HSE personnel in Current Period. In total, there are 12 HSE personnel in the Project site which consists of 10 HS Officers contracted from the external third-party joint health and safety unit (JHSU), one Environmental Engineer, and one HSE Chief which reports to the Site Chief. There is also one fulltime HS Officer of subcontractor named Kone Asansör which is responsible for elevator and escalator installation. In addition to the HSE personnel, there is a medical team of one doctor, and one nurse.
- The EPC Contractor has Human Resources (HR) management team consists of a HR Chief and three HR personnel. HR Chief is responsible from human resources related issues on site. He is also assigned as Community Liaison Officer (CLO) for the construction phase of the Project who is coordinating the management of external grievances.
- Security team consist of 38 security agents and a Security Team Chief who is reporting to the HR Chief.

#### Recommendation/Conclusion:

- Although the number of HS Officers are in compliant with the relevant regulation, and the EPC Contractor increased the number of HSE personnel in the Current Period, MMT is of the opinion that the number of HS Officers should continue to be increased, especially considering the number of workers will increase in the upcoming periods. Given MMT's observations on the similar construction sites of similar size and magnitude; and given the need for establishing robust site inspection system (detailed in below sections); MMT recommends increasing the number of HSE team with more experienced personnel to comply with best practices.

### 2.1.4 Subcontractor Management

The MMT was informed that 38 subcontractors were active on site in November 2022. Template of the subcontractor contract was provided to MMT for review. Reference to the commitment to the national labour and occupational health and safety and environmental legislation, ESMS/ESMP could not be seen in the template of the contract. However, it should be noted that the appendix of the contract was not shared with MMT. Appendix of the subcontractor contracts will be reviewed in terms of commitment to the national labour and occupational health and safety and environmental legislation, ESMS/ESMP once shared with MMT.

Subcontractors are evaluated by the EPC contractor according to their working performance. Sample working performance evaluation forms for the subcontractors were provided to MMT. In addition to working performance evaluation, subcontractors are also evaluated according to their HSE performance which only covers health and safety issues. Sample HSE Performance evaluation forms were reviewed by MMT; however, subcontractor working performance evaluation forms for Current Period were not provided to MMT for review. Considering the increase in the subcontractor numbers in the Current Period, it is highly recommended the subcontractors are evaluated regularly.

#### Recommendation/Conclusion:

- Subcontractor contracts needs to include commitment to the national labour, occupational health and safety and environmental legislation and ESMS/ESMP.
- Subcontractors should be regularly evaluated in terms of working and HSE performances.

- Environmental performance parameters should be added to HSE performance evaluation forms for subcontractors.

### 2.1.5 Training

In the annual training plan for 2022, planned HS trainings and drills are seen. However, it is understood that the plan was not updated and environmental trainings and drills were not included in the plan. During the site visit, the EPC Contractor's Environmental Engineer informed MMT that the updated training plan for 2023 will contain environmental training and drills.

For compliance with the relevant regulation<sup>3</sup>, 16-hour training has been given to all employees. According to the monthly HSE Performance Form filled for the Current Period:

- 749 personnel of the EPC Contractor and subcontractors received health and safety trainings.
- Four toolbox talks about working at height were performed for 18 sub-contractors' workers present on site regarding health and safety issues.

According to MMT's experience on similar projects, number of toolbox talks performed in this period is quite insufficient. MMT is still in the opinion that the number of toolbox talks should be increased. The EPC Contractor stated during the site visit that the new toolbox talk subjects are currently being defined and they will be started to be provided to all workers. Some of the new toolbox contents such as ground gap, cleaning, electric shock, transportation of pressurized gas cylinders, PPE use are shared with MMT by the EPC Contractor for review. The identified risks and their minimization methods for each toolbox content are explained in the documents. MMT will check the toolbox talk numbers in the next site visit.

16-hour training presentations and participation records were shared with MMT. According to training presentation, 16-hour training only include subjects on legislation, fire, PPE, medical surveillance, occupational diseases, incident and accident which are not sufficient according to Regulation on Health and Safety Training of Employees. HS Chief informed MMT during the site visit that 16-hour training presentations and the training content are currently being updated to be in line with the national regulation.

#### First Aid Training<sup>4</sup>

According to monthly HSE Performance Form, the total number of first aiders (with a valid first aider certificate) was 78 in November 2022. Based on the provided records, it was determined by the MMT that the Project site is still not in compliance with First Aid Regulation (Minimum 183 first aiders should be employed for 1826 average number of workers on site). During the site visit, the EPC Contractor informed MMT that more workers are obtaining first aid trainings and the number of first aiders will increase to be in line with First Aid Regulation. First aider numbers will be checked in the next monitoring by MMT to be in line with the regulation.

#### Vocational Training

In accordance with the Regulation on Vocational Training of Employees who work at workplaces classified as "dangerous" and "very dangerous", workers at construction works should receive vocational training specific to their work. The EPC Contractor shared the updated employee list representing which employee has vocational competence certificate. Vocational competence

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<sup>3</sup> According to the Regulation on Health and Safety Training of Employees, 16 hours of health and safety training should be provided to all employees within one year after the commencement of the work in line with the Regulation.

<sup>4</sup> In accordance with the First Aid Regulation, one certified first aider should be assigned for every ten employees for workplaces classified as "very dangerous".

certificates are kept by HR Department. During the site visit, MMT conducted a random check for one of the subcontractor's workers. The selected worker has vocational training competence certificate; however, it is expired and he is currently enrolled in vocational training. Workers cannot work without a vocational competence certificate; therefore, the expiry dates of the vocational competence certificates should be added to the employee vocational competence certificate list to identify expired certificates and provide training to workers beforehand.

#### **Recommendation/Conclusion:**

- Environmental trainings and drills should be included in the training plan and environmental drills need to be performed as soon as possible.
- Number of toolbox talks should be increased.
- 16-hour Health and Safety trainings should be revised to include all subjects specified in the regulation (i.e., chemical, physical and ergonomic risk factors, manual lifting and carrying, safe use of work equipment, electricity, its hazards, risks and precautions, safety and health signs, occupational health and safety general rules and safety culture, biological and psychosocial risk factors, first aid, etc.)
- The due date of the vocational competence certificates should be monitored and expired training certificates should be renewed.

#### **2.1.6 Permitting**

The recent status of the permits and approvals based on the information/responses/documents provided by the Project Company was presented in the 1<sup>st</sup> Environmental and Social Construction Monitoring Report and no further action is required at this stage regarding permitting.

## **2.2 Occupational Health and Safety (OHS)**

### **2.2.1 Site Observations**

A site visit was conducted on 29 December 2022 covering the construction areas including General Hospital and PTRH construction sites and the workers camp areas with the participation of the EPC Contractor representatives. Please note that most of the construction activities were on-going inside the buildings. Observations made during the site visit are shortly summarized in the below paragraphs:

- Personal Protective Equipment (PPE) have been provided to workers by the EPC Contractor during construction activities. PPE delivery records and PPE usage training records were reviewed during site visit. Most of the workers at the construction site were observed using hardhats, safety shoes, and gloves as personnel protective equipment (PPE), however there were some workers who were not using any safety glasses/goggles, earplugs/earmuffs and PPEs specific to their work (i.e., safety belts during working at height, face shields during cutting and abrasive works and welding works), although the required equipment was provided. Failure to equip workers with PPE increases the risk of having an injury.
- The EPC Contractor informed that regular scaffold inspections have been performed by the EPC Contractor's HSE Team to identify functioning and non-functioning scaffolds and label them to prevent any possible accident. However, it was observed during the site visit that a scaffold with non-functioning label was used in the construction site.
- There were no stair railings on the top floor of the General Hospital.
- The number and the size of speed limit signs in the General Hospital and PTRH construction sites were improved.

- Sufficient number of fire extinguishers were placed at working areas. Some of the fire extinguishers were not checked within the last month.
- Hot work was practiced in the Technical Service Building of General Hospital. Four fire extinguishers were present at the places where the work is performed. There were a lot of cardboards and flammable materials throughout the building. Indoor lighting of the building was insufficient.
- The number of emergency exit and stair labels were sufficient.
- There were lack of insulation mats under the transformers inside the buildings at General Hospital and PTRH construction sites.
- During the site visit, it was observed that some of the workers performing work at height were not using safety belt and showing unsafe behaviour. displayed.
- Pavements and asphalt work in the PTRH site were completed. There were pedestrian signs to lead pedestrians to the pavements.
- There was no railing at the 2<sup>nd</sup> floor of the PTRH. The EPC Contractor stated that the railing is removed to transfer materials. It should be ensured that railings are placed at this floor.
- There was a can of paint thinner left on the 2<sup>nd</sup> floor of the PTRH.
- Hospital blocks and emergency contacts are shown with banners in each floor of the PTRH.
- Hot work was performed in the PTRH and excess smoke was observed in the building. The ventilation system was found to be insufficient.
- Electric heaters were placed in material storage areas of General Hospital and subcontractors' offices.
- A fuel oil storage tank was placed next to the waste storage area in General Hospital. There was a containment pit under the tank however the pit does not cover fuel oil filling area. Therefore, spillage may occur.

#### Recommendation/Conclusion:

- PPE usage should be strictly monitored by the EPC Contractor by performing periodic site inspections.
- Scaffold should be regularly inspected and the scaffold that are not in use should be removed from site.
- Unusable or fault working equipment in the construction site should be labelled and removed from the area.
- Stair railings should be installed on the top floor of the General Hospital.
- Fire extinguishers should be controlled monthly.
- Hazardous materials should be properly stored at working areas. During daily HS walkovers, hazardous material management in the construction areas should be strictly inspected and chemicals without labels should be immediately removed from the working area.
- Insulation mats should be placed under the transformers inside the buildings at General Hospital and PTRH construction sites.
- Refreshment trainings including working at height should be given to workers who behave unsafely while working at height.
- Containment pit of the fuel oil tank should be expanded to prevent soil pollution due to spillage.
- Ventilation in the PTRH should be improved and necessary PPEs should be provided to workers.
- The number of fire extinguishers in the Technical Service Building should be increased to minimize the risk of fire.
- Electric heaters should be removed from the of General Hospital and subcontractors' offices.

## 2.2.2 Accidents

Accidents that occurred in November 2022 are presented in Table 2-1. In November 2022, 28 accidents were reported in the HSE Form and the 2022 - Accident Track List.

**Table 2-1 Accident Records in Current Period**

Accident Date	Accident Type	Lost Day
02.11.2022	First Aid Case	0
08.11.2022	Lost Time Injury	6
10.11.2022	Lost Time Injury	7
11.11.2022	First Aid Case	0
11.11.2022	Medical Treatment Case	2
11.11.2022	Lost Time Injury	7
12.11.2022	First Aid Case	0
12.11.2022	First Aid Case	0
12.11.2022	Lost Time Injury	30
13.11.2022	First Aid Case	0
14.11.2022	Medical Treatment Case	3
15.11.2022	First Aid Case	0
15.11.2022	First Aid Case	0
16.11.2022	First Aid Case	0
16.11.2022	Medical Treatment Case	1
16.11.2022	First Aid Case	0
17.11.2022	Lost Time Injury	15
20.11.2022	First Aid Case	0
21.11.2022	First Aid Case	0
22.11.2022	First Aid Case	0
23.11.2022	First Aid Case	0
23.11.2022	First Aid Case	0
28.11.2022	Medical Treatment Case	3
28.11.2022	Lost Time Injury	7
28.11.2022	First Aid Case	0
29.11.2022	Lost Time Injury	45
29.11.2022	Lost Time Injury	5
30.11.2022	Medical Treatment Case	3

MMT was provided with the records of accidents that occurred in November 2022 and the 2022-Accident Statistics document updated for November 2022. Details of the accidents were provided to MMT for review. According to these records, the types of accidents are fracture, laceration, slip and fall. 15 first aid accidents and five accidents with medical treatment occurred in November 2022. The number of lost time injuries that occurred in November 2022 was eight. The root causes of these eight accidents were determined as lack of attention and unawareness. Lost time injuries with 45 and 30 lost days were caused by falling from height while the injury with 15 lost days was due to material slipping from the worker's hand. Health and safety refresher trainings were provided to the workers upon return to work following the accident. In addition, there is no recorded near miss notification in the Current Period. It is important to report and record all near misses.

#### Recommendation/Conclusion:

- Content of the Toolbox talks should include unsafe behaviour and the right to refuse to work subjects.
- Employees should be trained about the near misses and encourage to report near misses. All near misses should be recorded.

#### 2.2.3 Meetings<sup>5</sup>

Records of Monthly OHS Committee Meeting of the EPC Contractor which was held on 28 November 2022 were shared with MMT. As stated in the Regulation on Health and Safety Committees, subcontractors with more than 50 employees should hold separate committee meetings. There were nine subcontractors with more than 50 employees during Current Period. However, there were no records of monthly OHS Committee Meetings of subcontractors for November 2022 provided to MMT for review.

#### Recommendation/Conclusion:

- EPC Contractor and subcontractors with more than 50 workers should conduct committee meetings in a timely manner. MMT would like to be provided with all committee meeting records in the next monitoring period.

#### 2.2.4 Site Inspections and Audits

Regular HSE site inspections and controls were conducted in the Current Period, which comprises of daily site walks, weekly inspections, unsafe behaviour /unsafe conditions audits, executive site visits, scaffold controls, electrical equipment control, fire extinguisher controls and occupational hygiene controls. The number of these inspections and audits provided in HSE Performance Form are provided in the below table. In addition, periodic environmental site walks are conducted.

**Table 2-2 Types and Numbers of the Inspections and Audits conducted in November 2022**

Type of the Inspections and Audits	Number
Weekly HSE inspections	4
Executive site visits	1

<sup>5</sup> In accordance with the Regulation on Health and Safety Committees, monthly health and safety meetings should be held by the HSE Committee with the participation of the EPC Contractor (employer) Representative, Project Coordinator/Manager, Health and Safety Specialists of both the EPC Contractor and the subcontractors, Workplace Doctor, Worker Representatives, Employer Representatives of the subcontractors and a Specialist undertaking works related to human resources, administration or financial.

Type of the Inspections and Audits	Number
External audit	0
Scaffold controls	30
Mechanical equipment control	4
Electrical equipment control	4
Fire extinguisher control	4
Occupational hygiene control	4
Others	0

Non-conformity and Corrective - Preventive Action Follow List has been shared with the MMT for review. In November 2022, 18 non-conformities were detected and all of them were closed. Non-conformities were about PPE usage, equipment maintenance, the risk of falling and scaffolds. MMT is in opinion that the number of non-compliances is quite low considering the time interval and size of the construction work. Date, responsible subcontractor, description and the close date of the non-conformities were recorded in the list. The EPC Contractor added accidents happened since March 2022 to date in the HSE Non-conformity and Corrective - Preventive Action Follow List as recommended in the previous reports. The dates of the accidents, lost days, health and safety refresher training dates and company names are specified in the list. Also, the reference to the related corrective preventive action report is given.

#### Recommendation/Conclusion:

- All non-compliances should be recorded and tracked via Non-conformity and Corrective - Preventive Action Follow List even if the non-compliances could be easily closed.

#### 2.2.5 Periodic Equipment and Machinery Inspections

Periodic Maintenance Track List for the equipment and machineries were provided by the EPC Contractor to MMT for review. All equipment used by subcontractors are included in the tracking list of periodic maintenance for the equipment and the required period for the maintenance is given in the list as recommended by MMT in the previous report. The due dates of equipment's maintenance can be tracked with the list. It was stated by the EPC Contractor, HS Officers regularly conduct on-site inspections to ensure their sub-contractors' electrical and mechanical equipment have been properly controlled and tagged. During site visit equipment with tags were observed however there were some exceptions. The EPC Contractor stated that sometimes workers are removing the labels.

A periodic maintenance spot check was performed for a crane located at the PTRH construction site. The crane's information tag had an expired due date. The EPC Contractor checked the last maintenance records of the crane and informed MMT that the last maintenance date was 16 March 2022 and the next periodic maintenance will be performed by 16 March 2023 since the maintenance period for the crane is annual.

#### Recommendation/Conclusion:

- Equipment tags should be strictly and regularly inspected during daily walkovers conducted by HS Officers.



### 2.2.6 Method Statements

Construction method statements and method statements of electrical cable piping, wet area insulation, road construction and plumbing prepared by the EPC contractor do not include health, safety and environment related measures to be taken during subject works. However, the EPC Contractor stated that the work specific HSE instructions are delivered to workers prior to work. These instructions are signed by workers and kept in their personnel files. The instructions for the concrete finishing, iron cutting and bending machines were shared with MMT. The instructions contain information about responsibilities, the application of the machine and related documents. HSE risks, PPE usage, emergency contacts and other measures are explained in the instruction.

#### Recommendation/Conclusion:

- Health, safety and environmental related measures should also be included method statements.

### 2.2.7 Work Permit

A project-specific Permit to Work Procedure has been developed. There is an ongoing work permit system in the construction site. Work permit records, which were arranged weekly, were reviewed during the site visit. However, the work permit records are only kept in the offices and tracked via excel sheet. It is not possible to check work permits on site. Work permit system needs to be improved.

November 2022 Work Permits of elevator shaft, hot and cold work, and working at height were reviewed by MMT. The work permits were from the last week of November 2022. The required PPEs are shown in the Work Permit documents specific to work.

#### Recommendation/Conclusion:

- The written work permit logs with two copies should be prepared, and one copy should always be present on site. This will enable to have an effective work permit system.

### 2.2.8 Risk Assessment

According to the Occupational Health and Safety Risk Assessment Regulation, risk evaluation should be conducted to determine specific risks associated with the work to be conducted and mitigation measures to be identified.

Detailed Risk Assessments of the EPC Contractor and its subcontractors were prepared by the HS Officer contracted from safety unit (JHSU) which provide service to the EPC Contractor and its subcontractors except Kone Asansor which also has one fulltime HS Officer. Risk Assessment includes all working areas and working equipment, work types and emergency situations. The EPC Contractor's risk analyses were prepared in September 2022; however, its subcontractors' risk analyses have not been revised in the Current Period.

#### Recommendation/Conclusion:

- The risk assessments should be revised whenever there is a change in main activity, used material as well as near misses, incidents/accidents occur during the work etc. Thus, it is recommended that risk assessments are revised to reflect the current status of the construction site.

### 2.2.9 Emergency Response and Drills

A project-specific Emergency Response Plan (ERP) has been developed and the latest version was issued on 6 October 2021 which is valid for two years. The Plan was prepared in accordance with the Regulation on Protection of Buildings from Fire, Regulation on Emergency Situations and found to be compliant with the national and international standards.

According to the monthly HSE Performance Forms provided to the MMT; 13 drills were performed in 2022 however, there were no drills conducted in November 2022. There is no spill drill conducted during the construction phase of the Project to date. However, during the site visit on 29 December 2022, the EPC Contractor informed MMT that a spill drill was conducted in December 2022. MMT will review the report in the next monitoring period.

#### Recommendation/Conclusion:

- Project-specific Emergency Response Plan should be shared with authorities and neighbourhood communities at the Project website and revised when construction works accelerates.
- In order to implement best practices and to satisfy international health and safety requirements, the MMT recommends frequent fire, search & rescue drills should be conducted during construction phase.

### 2.2.10 Hazardous Material Storage

As part of project specific ESMS, Hazardous Materials Management Plan was developed. In the hazardous material storage areas, eye showers and spill kits were present but there were no heat sensors or smoke detectors installed in the storage areas. In the hazardous material storage areas SDSs were provided however in the construction areas where the chemicals are used there were no SDSs. In addition, it was observed that the chemicals are stored in the construction site without any label.

#### Recommendation/Conclusion:

- SDSs should be present in the construction areas where the chemicals are used.
- During daily HS walkovers, hazardous material management in the construction areas should be strictly inspected.
- Smoke detectors or heat sensors should be placed in the hazardous material storage areas.

### 2.2.11 Industrial Hygiene

Industrial hygiene measurement reports provided by the EPC Contractor regarding indoor conditions, such as illumination, thermal comfort, dust exposure, indoor gas exposure and indoor noise and vibration levels that were carried out on 22 November 2022 by an accredited laboratory Kim-çev Ölçüm ve Analiz are reviewed by MMT. Ambient measurement points were PTRH and General Hospital buildings, accommodation area, cafeteria, kitchen and offices.

Indoor noise and vibration measurements were conducted for various work types such as freight elevator, construction, crane, forklift and road rolling operation. According to the noise exposure measurements performed alongside the road rolling operator and the construction worker, the results were 94.8 and 89.1 dBA respectively. The results were not in line with national legislation limit which is 87 dBA. According to the vibration exposure measurement report, the results for road rolling operation were 2.71 m/s<sup>2</sup> which is not in line with the national legislation limits. All the other measurements were reviewed and found compliant with the national legislation.

### Recommendation/Conclusion:

- The Project Company should ensure that corrective actions for the exceedance in noise and vibration exposure should be defined and taken in a timely manner.

#### 2.2.12 Traffic

A Traffic Management Plan (TMP) has been developed for the Project. However, the TMP does not provide adequate information regarding site specific management activities. Speed limit inside the construction site, transportation routes, road map and interaction with the community are not clearly defined in the TMP.

No traffic accident occurred in both construction sites during Current Period. During the site visit it was observed that the traffic management on both site is improved. Pedestrian walkovers were defined, and pavement constructions were completed. Pedestrian walkover signs were detectable and they lead pedestrians to pavements. There were improvements in the number and the size of speed limit signs. However, there was still no flagman on site.

### Recommendation/Conclusion:

- The Traffic Management Plan should be updated to include site specific traffic management activities.
- Drivers should be regularly trained regarding traffic safety.

## 2.3 Labour Management

Project Company has Human Resources and Human Rights Policies for the construction phase of the Project. In addition, the EPC Contractor also has Human Resources Policy, Human Rights Policy, Anti-bribery and Anti-corruption Policy, Anti-harassment, Violence and Discrimination Policy. Also, an Employment and Procurement Management Plan was established by the Project Company for the construction phase.

The EPC Contractor has Human Resources (HR) management team which is responsible for labour management on construction site (i.e., employee database, timekeeping, overtime, payment, recruitment, vocational trainings). The team consists of a HR Chief and three HR personnel.

The number of female employees in November was 55. In November 2022, 3% of women were present in the overall workforce. The number of men working on the project is increasing more than that of women; therefore, the percentages of women have decreased compared to 2<sup>nd</sup> Environmental and Social Construction Monitoring Report. Project Company and the EPC Contractor work with women employees in many suitable jobs in order to increase women employment.

According to Article 30 of the Labour Law No. 4857, employers with 50 or more employees are obliged to employ 3% disabled workers in the works which are suitable for their occupational, physical and mental conditions. The EPC Contractor and nine subcontractor companies have more than 50 employees. According to provided information, the EPC Contractor and nine subcontractor companies are not in-compliance with the national legislation in terms of employment of disabled personnel. However, during the site visit MMT informed the EPC Contractor that numbers of disabled workers are not in line with the national regulation and more disabled workers should be employed. The EPC Contractor stated that they warned the subcontractors to employ disabled workers and they also help the subcontractors to find eligible disabled worker candidates to be employed.

### Recommendation/Conclusion:

- Number of disabled workers needs to be in compliance with national regulation for the EPC Contractor and subcontractors with 50 or more employees. The EPC Contractor should monitor the number of disabled workers in subcontractors and ensure they are in line with the Labour Law.

#### 2.3.1 Workers' Accommodation

Construction Camp Management Plan was prepared within the scope of the ESMS. The plan was assessed as compliant. Regular internal audits for accommodation areas are conducted with the participation of HS Officers and HR Chief. According to audit forms submitted in November 2022, poor ventilation in the rooms, drain cleaning problems, lack of liquid soap, broken toilet seat, hygiene problems in the tea service area were recorded. Necessary warnings and notifications were made and according to the audit records, deadlines were given for these mentioned issues and the necessary actions were taken.

During the site visit, it was observed that the construction of the laundry building was finished, and it is located near the accommodation compounds. The EPC Contractor employed two personnel for laundry operation. Subcontractor companies have their own washing and drying machines. Workers leave their laundries in the morning and receive them clean and dried. During the site visit, MMT observed that the laundry detergents are not kept in air-tight containers; therefore, detergent smell was dominant in the building. Ventilation of the building was insufficient.

Accommodation areas were visited during the site visit. There are twelve rooms, six toilets and six showers in one compound. A spot check was made on a room of eight workers. According to IFC Workers' Accommodation Standards, 4m<sup>2</sup> to 5.5m<sup>2</sup> surface area must be available per resident. The EPC Contractor informed MMT that the rooms in the accommodation area are approximately 25m<sup>2</sup> and it can be said that the density of the rooms is not in line with the IFC Workers' Accommodation Standards. There was no table or chair in the room. According to the EPC Contractor, they provide chairs and tables; however, workers remove them from their rooms. The condition in the shower area and the toilets were good and necessary renovations were completed. There were no toilet paper and liquid soap in the toilets.

### Recommendation/Conclusion:

- The number of workers in each room should be decreased to be in line with the IFC Workers' Accommodation Standards.
- Detergent in the laundry building should be kept in air-tight containers. Ventilation of the building should be increased with fans.
- Toilet paper and liquid soap should be present in the toilets.

#### 2.3.2 Worker's Grievance Mechanism

The EPC Contractor's Grievance Management Procedure is in place. HR Chief who is also CLO of the Project is responsible for the management of workers' grievance management. However, no training record regarding grievance mechanism is provided.

According to the Workers' Grievance Track List, in November 2022, 23 written grievances were received. The subjects and resolution status of the grievances are listed in Table 2-3. Grievances are mainly related with transportation service, cleaning and hygiene, meal types and mealtimes. All grievances in the Current Period were closed, but there are still eight open items from previous periods. Four of the open grievances from the previous periods are about reopening the canteen and according to the grievance track list the reason of the item cannot be closed is the loss of the previous company. Four remaining grievances are about parking lot

problem. In November 2022, there are no open grievances out of 23 received. All of the received grievances received in the Current Period have been closed and the related personnel have been informed. The subjects and the resolution status of the grievances are listed in Table 2-3.

**Table 2-3 Workers' Grievances List in Current Period**

Subject	Number of Grievances	Resolution status
Food and Beverage Services (meal type, mealtime, reopening canteen, water, etc.)	9	Closed: 9 Open: 0
Maintenance (repairing, deficiencies in accommodation areas etc.)	7	Closed: 7 Open :0
Housekeeping (cleaning, hygiene, environmental issues etc.)	5	Closed: 5 Open:0
Transportation service (home to work transportation etc.)	2	Closed: 2 Open: 0

HR Chief also stated that they received verbal grievances and they take actions for those grievances too. However, it is not possible to track verbal grievances in the Workers' Grievance Track List.

**Recommendation/Conclusion:**

- All of the employees should be trained regarding grievance mechanism.
- Verbal grievances should be recorded in Workers' Grievance Track List.

**2.3.3 Labour Audit**

According to the ESAP of the Project, an independent third-party labour audit should be performed annually, and this audit should include issues such as contracts, health and safety, worker protection, grievance, worker accommodation, forced and child labour. There is no labour audit performed to date.

**Recommendation/Conclusion:**

- An independent third-party labour audit should be performed as soon as possible before construction finishes.

**2.3.4 Gender Equality and Prevention of Gender Based Violence and Harassment (GBVH)**

The EPC Contractor has Human Rights Policy, Ethical Principles Policy, Fighting Against Assault and Violence and Discrimination Policy which are in line with international standards. According to grievance records gathered between 22.11.2022 and 29.11.2022, no GBVH-related complaints were received. MMT will continue to review grievance records in next monitoring periods.

MMT is in the opinion that most of the employees were not familiar with GBVH topics and were not educated on the matter (i.e., document reviews showed that the EPC Contractor personnel did not obtain training on handling gender-based violence and harassment cases.).

### Recommendation/Conclusion:

- The EPC Contractor personnel should obtain training on handling gender-based violence and harassment cases.

## 2.4 Community Health, Safety and Security

A project-specific Community Health and Safety Plan (CHSP) in line with IFC PS4 dated July 2019 was prepared for the construction phase of the Project.

A project-specific Security Management Plan has been developed. There are 38 security personnel and one Security Chief who is reporting to HR Chief on site. Since the General Hospital is located in the centre of the city, there is a high level of interaction with community. The EPC Contractor stated that there was no security incident occurred to date. They are in contact with their stakeholders. It was also observed that the Project sites are completely fenced.

An internal security audit has been conducted on 25 November 2022 by the EPC Contractor. The EPC Contractor warned related personnel about wearing name tags in a detectable way, delivering necessary information to the security personnel working at the next shift.

Regarding fire safety, it was understood that an audit has been conducted by technical consultant of the Project Company. The report will be reviewed once shared by the Project Company.

### Recommendation/Conclusion:

- Although there are security cameras in the project areas, MMT recommends the site walkovers conducted by security personnel to be increased.
- Third party life and fire safety audit report will be shared with MMT once it is completed.

## 2.5 Stakeholder Engagement and Public Grievances

A Stakeholder Engagement Plan (SEP) has been established for the construction phase. SEP and grievance forms have been disclosed in the Project website. However, SEP provided in the Project website is in English language. Since SEP is a living document, it needs to be updated. The EPC Contractor informed MMT during the site visit on 29 December 2022, that the SEP is being updated as per recommended in the 2<sup>nd</sup> Construction Monitoring Report and the revision of SEP is still ongoing.

The stakeholder meetings are held every three months. The stakeholder meeting was supposed to be held in November 2022; however, in the Current Period there were no meetings held, so there are no recorded grievances from public. The EPC Contractor informed MMT that the next stakeholder meetings will be held in December 2022, which will be discussed in the next monitoring period.

Total 177 grievances were received from December 2020 to by the end of November 2022. 135 grievances from regarding completion of the Hospital construction as soon as possible are still open. These grievances will be closed when the construction is completed. There are also 4 open grievances about location of the hospital, 6 open grievances about traffic and 4 open grievances about dust. The location of the Hospital was decided by the Ministry of Health hence, these grievances could not be closed. The open traffic, dust and noise related grievances were not closed, and related actions are not seen in the grievance log. It is seen in the Stakeholders' Grievance Track List that the similar grievances were closed. MMT is in the opinion grievance log needs to be reviewed and revised to reflect the current situation. Remaining grievances were closed and information related the grievances were provided to the related persons.

### Recommendation/Conclusion:

- Since SEP is a living document, MMT recommends that the Project Company updates the SEP (as well as update the stakeholder list to include all stakeholders considering the Project's progress on a regular basis during the lifetime of the Project). MMT will continue to monitor the implementation of SEP within the scope of the construction monitoring studies.
- SEP needs to be translated into local language which is Turkish to be understandable to the community and disclosed in the Project website as soon as possible.
- The Stakeholders' Grievance Track List should be reviewed and updated by the EPC Contractor.

## 2.6 Environment

### 2.6.1 Site Observations

Observations related to environmental management during the site visit conducted on 29 December 2022 and the key risks and associated actions are summarized in the relevant sections below.

### 2.6.2 Environmental Meetings, Trainings and Drills

Environmental issues are discussed in the HSE Committee meetings. Annual training plan does not include environmental trainings and drills. Environmental training was started to be given to workers who recently start working on the Project and presentation slides were shared with MMT. Environmental aspects of the project, project-specific environmental risks and chance finds management, waste specification and waste management, environmental emergencies and soil pollution subjects are included to environmental trainings. MMT was informed that currently, trainings are given to new workers and the aim is to provide environmental trainings to all workers. Workers of seven subcontractor companies did not receive environmental training yet; however, as for the remaining subcontractor companies' workers the training was started to be given in November 2022. The EPC Contractor provided environmental training to one of its employees in November 2022. MMT will regularly check the current status of environmental trainings in the next monitoring periods. During the site visit on 29 December 2022, The EPC Contractor informed MMT that a spill drill was conducted in December 2022. MMT will review the report in the next monitoring period. The EPC Contractor's Environmental Engineer informed MMT that the updated training plan for 2023 will contain environmental training and drills.

### Recommendation/Conclusion:

- All employees need to receive environmental trainings as soon as possible.

### 2.6.3 Environmental Accidents

Environmental accidents are recorded in the monthly HSE Performance Forms. According to provided HSE Performance Forms, it is understood that since the beginning of the construction no environmental accident occurred.

### 2.6.4 Water Supply and Water Hygiene

Utility water is supplied from municipal water system for both construction sites. Official water network registrations and connections were made for both construction sites on 1 November 2019. MMT was informed that one groundwater well is present at the General Hospital Project site; and no well is present at the PTRH site. The EPC Contractor stated that the well is not currently being used for construction activities and it is only connected to the fire suppression line and will only be used in case of fire. MMT was informed that there is no water meter on the

well and it will be installed prior to operational phase. The EPC Contractor provided the water use amount to MMT which is presented in Table 2-4.

**Table 2-4 Water Use in 2022 including the Current Period**

Date	General Hospital (m <sup>3</sup> /d)	PTRH (m <sup>3</sup> /d)
January 2022	17	4
February 2022	44	8
March 2022	40	15
April 2022	58	32
May 2022	54	18
June 2022	44	25
July 2022	58	29
August 2022	60	44
September 2022	58	25
October 2022	127	47
November 2022	157	44

One Water Quality Analysis conducted in April 2022 by an accredited organisation was provided to MMT. However, the measurement point was not specified in the analysis report. The analysed parameters are Escherichia coli, faecal streptococci, coliform bacteria, iron, aluminium, conductivity, ammonium, pH and nitrite. Results are in line with the Regulation on Water Intended for Human Consumption limits. However, according to regulation colour and turbidity parameters should also be analysed. In addition, according to the Regulation on Water Intended for Human Consumption, water quality monitoring frequency is twice a year if the daily consumption is less than 100 m<sup>3</sup>; while the frequency is four times a year if the daily water consumption is between 100 and 1000 m<sup>3</sup>. Considering the water consumption data provided in Table 2-4, one water quality analysis is inadequate according to national regulation. The EPC Contractor informed MMT that they conducted the water quality analyses in December 2022. The results of the analyses will be discussed in the next monitoring period.

**Recommendation/Conclusion:**

- Water quality analysis should be conducted according to Regulation on Water Intended for Human Consumption. Water samples should be taken from various locations on the Project site such as tap water from showers at workers’ camp area and toilets at offices.
- Water quality analysis should be conducted in a timely manner according to Regulation on Water Intended for Human Consumption considering the water consumption amount.

**2.6.5 Wastewater**

Wastewater from accommodation compounds, offices, and construction areas at General Hospital and PTRH sites are discharged into the municipal sewage system. ‘Wastewater Connection Permit (Atıksu Bağlantı İzni) was obtained for both sites on 4 September 2018 from Kütahya Directorate of Water and Sewage Works granting that the discharge of domestic wastewater from construction sites to the city’s sewer network. There is no septic tank in both construction areas.

**2.6.6 Waste Management**

The Project Company has established a Waste Management Plan (WMP), embedded within the ESMS for the construction phase. In addition, the EPC Contractor has a stand-alone Waste Management Procedure covering site-specific waste management practices. Industrial Waste Management Plan (IWMP) was prepared for the General Hospital and PTRH sites, in line with



the Waste Management Regulation (Date/Number: 02.04.2015/29314). The Project Company should renew and re-submit the IWMP to PDoEUCC three months before its expiry date (31 December 2022). During the site visit on 29 December 2022, Environmental engineer of the EPC Contractor informed MMT that the submission letter for revised IWMP is resubmitted. MMT will review the official letters in the next monitoring study.

The EPC Contractor constructed a temporary waste storage area at both sites. An additional waste storage unit is present at the food production (kitchen) area located in the vicinity of workers' accommodation compound, managed by the sub-contractor for catering services. The wastes are segregated in specific waste streams, as set out in the national legislation.

Inside the buildings where the construction is ongoing it was observed that the waste management and housekeeping were good. The EPC Contractor said that there is a cleaning team of 25 workers who are responsible for waste collection and separation, and they are regularly collecting the waste generated in the construction site.

### 2.6.7 Air Quality

An Air Quality Management Plan has been developed by the Project Company for the construction phase and embedded within the ESMS. Monthly PM<sub>10</sub> monitoring studies are being conducted at six monitoring points and the locations of measurement points were provided in the 1<sup>st</sup> Environmental and Social Construction Monitoring Report. According to Air and Noise Quality Monitoring Report issued in November 2022, PM<sub>10</sub> values which are between 20.1 – 24.5 µg/m<sup>3</sup> do not exceed the limit values defined in the Turkish legislation, the IFC limit and EU limits.

### 2.6.8 Noise

Noise and Vibration Management Plan (NMP) has been developed as part of construction phase ESMS. Monthly ambient noise measurements have been conducted at six measurement locations since 2019 and the locations of measurement points were provided in the 1<sup>st</sup> Environmental and Social Construction Monitoring Report. According to Air and Noise Quality Monitoring Report issued in November 2022, noise measurements were conducted between 15 – 17 November 2022 (between 12:00 a.m. on 15.11.2022 to 11:45 a.m. on 17.11.2022), for duration of 48 hours, all average measured noise values are below the limit values defined in the Turkish legislation and the IFC limits.

## 2.7 Construction Phase ESAP Status Table

Implementation status of items in the ESAP for construction phase is given in table below.

**Table 2-5 Construction Phase ESAP Implementation Table**

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
<b>PS1: Assessment and Management of Environmental and Social Risks and Impacts</b>				
ESAP 1.1	<p>ESMS</p> <p>Implementation of the following Project specific procedures/plans:</p> <ul style="list-style-type: none"> <li>• ESMS Manual</li> <li>• Emergency Preparedness and Response Plan</li> <li>• Occupational Health and Safety Plan</li> <li>• Security Management Plan</li> <li>• Traffic Management Plan</li> <li>• Construction Camp Management Plan</li> <li>• Employment and Procurement Plan</li> <li>• Waste Management Plan</li> <li>• Wastewater Management Plan</li> <li>• Noise and Vibration Management Plan</li> <li>• Air Quality Management Plan</li> <li>• Hazardous Materials Management Plan</li> <li>• Spill Response Plan</li> <li>• Community Health and Safety Plan</li> <li>• Resource Efficiency Pollution Prevention Plan</li> <li>• Training Management Plan</li> <li>• Grievance Mechanism Procedure</li> <li>• Supply Chain Management Plan</li> <li>• Stakeholder Engagement Plan</li> <li>• Chance Find Procedure</li> </ul>	<ul style="list-style-type: none"> <li>• Required documentation as per ESMS and specific plans (such as training records of workers, audit (i.e. audit program) and inspection reports)</li> <li>• An established organizational structure and defined roles for ESMS</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>• ESMS plans, procedures and policies have been generated and previously reviewed by MMT. Documents were finalized by the EPC Contractor in line with comments given by MMT. Current ESMS plans are being implemented. However, and Traffic Management Plan and Stakeholder Engagement Plan need to be revised based on information given in the Section 2.2.10 and Section 2.5.</li> <li>• There are 12 HSE personnel which consists of ten HS Officers, one Environmental Engineer, and one HSE Chief which reports to the Site Chief. There is also one fulltime HS Officer of one subcontractor.</li> <li>• There is a medical team of one doctor and one nurse.</li> <li>• The EPC Contractor has HR management team consists of a HR Chief and three HR personnel. HR Chief is also assigned as Community Liaison Officer (CLO) for the construction phase of the Project.</li> </ul> <p>For more detailed information please refer to Section 2.1.3.</p>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	Maintain organizational structure for the implementation of the ESMS			
ESAP 1.2	Permitting <ul style="list-style-type: none"> <li>Obtain all necessary permits/approvals as needed during the construction phase.</li> <li>Establish and maintain a permit register including any permits, licences, no objection certificates, or similar documentation obtained and to be obtained for the Project and associated ancillary construction components or activities, as relevant, encompassing timeframes, responsibilities, expiry date, and relevant E&amp;S requirement to be adhere to</li> </ul>	<ul style="list-style-type: none"> <li>Records of permits, official letters, licenses, approvals, documents and similar</li> <li>Permitting matrix</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>All necessary permits are secured.</li> <li>A permit register including permits, licences, no objection certificates, or similar documentation has not been established yet.</li> </ul>
ESAP 1.3	Construction methods <ul style="list-style-type: none"> <li>Develop documentation for construction methods for each construction activity</li> <li>Develop method statements in line with good international industry practices to manage and monitor construction phase environmental, health and safety and social issues</li> </ul>	<ul style="list-style-type: none"> <li>Construction methods</li> <li>Method statements</li> </ul>	Prior to each construction activity throughout the construction	<ul style="list-style-type: none"> <li>Construction method statements are provided to MMT for review. However, method statements do not include health, safety and environment related measures to be taken.</li> </ul> <p>For more detailed information please refer to Section 2.2.6.</p>
<b>PS 2: Labour and Working Conditions</b>				
ESAP 2.1	Human Resources <ul style="list-style-type: none"> <li>Implement Employment and Procurement Plan and HR Policy</li> <li>Issue contracts to workers upon recruitment which include contractual requirements requiring compliance with the Project ESMS, HR Policy, ESAP and other project specific plans</li> </ul>	<ul style="list-style-type: none"> <li>Worker contracts</li> <li>Personnel files</li> <li>Database of employees</li> <li>Short quarterly reports available for review by external monitors</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>The Project Company and the EPC Contractor have established their respective Human Resources Policy. An Employment and Procurement Management Plan was established by the Project Company. The EPC Contractor has also established a Personnel Regulation.</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	<p>and policies as well as setting out working conditions, potential deductions, terms of employment and EHS responsibilities</p> <ul style="list-style-type: none"> <li>Keep files of all workers that include their work contracts, training records, medical surveillance records, next of kin contact details and similar</li> <li>Develop a database of employees and subcontractor employees that includes information on the age, identity card number, gender, ethnicity, nationality, and hometown.</li> <li>Payroll checks by EPC contractor against issues such as sub-contractor wage rates, payment of benefits and timely payments.</li> </ul>			<ul style="list-style-type: none"> <li>The EPC Contractor has Human Rights Policy, Anti-bribery and Anti-corruption Policy, Anti-harassment, Violence and Discrimination Policy dated February 2020.</li> <li>Labour contracts address working conditions in line with the national legislation.</li> <li>Personnel files include work contracts, training records, medical surveillance records, next of kin contact details and similar.</li> <li>HR Chief of the EPC Contractor performs payment checks each month for subcontractor workers to cross-check working hours and realized payments.</li> </ul> <p>For more detailed information please refer to Section 2.3.</p>
ESAP 2.2	<p>Occupational Health and Safety</p> <ul style="list-style-type: none"> <li>Implementation of Occupational Health and Safety Plan</li> <li>Provide necessary trainings to workers</li> <li>Record all accidents and incidents</li> <li>Comply with health and safety legislation applicable to the construction phase of the Project.</li> </ul>	<ul style="list-style-type: none"> <li>Occupational Health and Safety Plan</li> <li>Records of audit reports, regular inspections, trainings for workers and similar</li> <li>Accident and incident logs</li> <li>Non-compliance log to record corrective and preventative actions</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>Occupational Health and Safety Plan is in place. However, implementation of the plan needs to be improved.</li> <li>Daily site walks, weekly inspections, unsafe behaviour /unsafe conditions audits, executive site visits, scaffold controls, electrical equipment control, fire extinguisher controls and occupational hygiene controls are conducted, and records were provided to MMT.</li> <li>All necessary trainings are provided to workers. Environmental training was started to be given to workers. MMT will check the status in the next monitoring periods.</li> <li>All accidents, incident and near misses are recorded.</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
ESAP 2.3	<p>Worker's grievances</p> <ul style="list-style-type: none"> <li>● Publicize the Grievance Mechanism to workers</li> <li>● Implementation of the Grievance Mechanism</li> <li>● Respond to grievances in a timely manner</li> <li>● Implement necessary corrective and preventative actions as required</li> </ul>	<ul style="list-style-type: none"> <li>● Grievance log including records of grievances, response to grievances and corrective actions</li> </ul>	<p>During construction phase</p>	<ul style="list-style-type: none"> <li>● First aiders number during the Current Period was not in line with the national legislation. However, MMT is informed that the first aid trainings are provided to employees and the number of first aiders are expected to increase. The status of compliance with the national legislation will be monitored.</li> <li>● Non-conformity and Corrective - Preventive Action Follow List has been shared with the MMT for review. In November 2022, 18 non-conformities were detected and all of them were closed. All non-compliances should be recorded and tracked via Non-conformity and Corrective - Preventive Action Follow List even if the non-compliances could be easily closed.</li> </ul> <p>For more detailed information please refer to Section 2.1.5, and Section 2.2.</p> <ul style="list-style-type: none"> <li>● Grievance forms are publicized to workers. However, no training record regarding grievance mechanism is provided.</li> <li>● There is worker's grievance mechanism in place. There are grievance boxes in the workers accommodation areas and the dining halls. Worker's grievance records provided to MMT for review. Responds to grievances are in a timely manner.</li> <li>● Verbal grievances should be recorded in Workers' Grievance Track List.</li> <li>● For more detailed information please refer to Section 2.3.3.</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
ESAP 2.4	<p>Worker's accommodation</p> <ul style="list-style-type: none"> <li>Undertake internal and external (by a third party) regular audits at worker's accommodation facilities</li> <li>Implement Construction Camp Management Plan</li> <li>Maintain the worker accommodation compounds in accordance with the IFC Workers' Accommodation: Processes and Standards</li> </ul>	<ul style="list-style-type: none"> <li>Audit reports/ Inspection records</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>Regular internal audits at workers accommodation facilities are conducted by the EPC Contractor. Records of the audits are provided to MMT for review. For third party audit please refer to ESAP item number 2.7.</li> </ul> <p>For more detailed information please refer to Section 2.3.1.</p>
ESAP 2.5	<p>Subcontractors</p> <ul style="list-style-type: none"> <li>Implementation of Supply Chain Management Plan (Subcontractor Management and Monitoring Plan) that includes checking of subcontractors to verify they are reputable and legitimate enterprises</li> <li>Prepare a subcontractor list</li> <li>Require subcontractors to manage their workers in line with Project's HR policy and adopt grievance mechanism through contractual clauses</li> <li>Require subcontractors to adhere to the Project's EHS policies and plans through contractual clauses.</li> <li>Require subcontractors to report accidents, incidents, and safety non-compliances through contract clauses.</li> </ul>	<ul style="list-style-type: none"> <li>Contracts with subcontractors</li> <li>Subcontractor list</li> <li>Records of subcontractor's accidents, incidents, and non-compliances</li> <li>Subcontractor personnel files</li> <li>Subcontractor training records for EHS</li> <li>Evidence of how workers are informed about the grievance mechanism</li> <li>Grievance log</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>A Supply Chain Management Plan specific for the construction phase has been produced including supplier selection criteria. In addition, The EPC Contractor established a Subcontractor Management Procedure, which includes assessment of third-party performance; and commitments of subcontractors to comply with the EPC Contractor's environmental, health and safety practices.</li> <li>As of 30 November 2022, a total of 38 subcontractor companies were actively working on site</li> <li>Copies of the subcontractor personnel files were kept by HR team and reviewed by MMT.</li> <li>Records of subcontractors' trainings were provided to MMT.</li> <li>Grievance logs includes the subcontractors' employees.</li> <li>No evidence of how workers are informed about grievance mechanism was provided to MMT.</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
				For more detailed information please refer to Section 2.1.4.
ESAP 2.6	Supply of materials <ul style="list-style-type: none"> <li>Select suppliers as close as possible to the Project site</li> <li>Prepare a supplier list</li> <li>Supply materials from licensed/certificated/permitted suppliers/facilities</li> </ul>	<ul style="list-style-type: none"> <li>Records of supply sources</li> <li>Supplier List</li> <li>Licenses/certificates/permits of the suppliers</li> </ul>	During construction phase	Supplier list is provided to MMT and supplier licenses are checked during the site visit. The EPC Contractor stated that the suppliers are selected as close as possible to the Project site, however some materials especially for the mechanical ones are supplied from abroad when there is no local suppliers.
ESAP 2.7	Labour Audit <ul style="list-style-type: none"> <li>Carry out annual third-party labour audit for assessment of compliance of the site</li> </ul>	<ul style="list-style-type: none"> <li>Annual third-party audit report</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>Third party labour audit is not conducted yet. MMT provided information regarding the requirements of the labour audit to the Project Company and Project Company informed MMT that they will initiate the process for the labour audit.</li> <li>MMT will monitor the situation regarding third-party audit in the next monitoring period.</li> </ul>
<b>PS3: Resource Efficiency and Pollution Prevention</b>				
ESAP 3.1	Soil, Surface Water and Groundwater <ul style="list-style-type: none"> <li>Adopt good construction site practices for the protection of soil, surface water and groundwater (e.g., storage areas, spillage control, spill kits etc.)</li> <li>Keep spill response kits at designated areas with specific instructions for their use and train site staff on the use of spill kits</li> </ul>	<ul style="list-style-type: none"> <li>Records of periodical site inspections</li> <li>Presence of spill response kits in construction site</li> <li>Records of monitoring of the implementation of the relevant plans</li> <li>Audit and control results, spillage incident records, measurement results, contaminated soil disposal records, training records and similar</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>Utility water is supplied from municipal water system for both construction sites.</li> <li>One groundwater well is present at the General Hospital Project site; and no well is present at the PTRH site. The well is only connected to the fire suppression line and will only be used in case of fire.</li> <li>One Water Quality Analysis conducted in April 2022 by an accredited organisation was provided to MMT. MMT would like to review recent water analysis in the next monitoring period.</li> <li>MMT observed that the number of spill kits on site were increased, and eye showers were placed. Environmental</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
				<p>Engineer of the EPC Contractor informed that the spill drill is conducted in December 2022. MMT will review the report in the next monitoring period.</p> <ul style="list-style-type: none"> <li>No environmental accident was recorded to date.</li> </ul> <p>For more detailed information please refer to Section 2.2.10., 2.6.4. and 2.6.5.</p>
ESAP 3.2	<p>Hazardous materials</p> <ul style="list-style-type: none"> <li>Prepare an inventory of hazardous materials</li> <li>Obtain Safety Data Sheets (SDSs) and provide in relevant locations in both English and Turkish</li> <li>Make Personal Protective Equipment (PPE) available for relevant personnel</li> <li>Train relevant personnel</li> <li>Take required onsite measures</li> <li>Keep hazardous materials at designated areas</li> <li>Locate suitable fire-fighting equipment close to hazardous material storage/usage areas</li> </ul>	<ul style="list-style-type: none"> <li>Records of audits</li> <li>Hazardous material inventory</li> <li>Site inspections</li> <li>Incident records</li> <li>Training records</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>SDSs are provided in the hazardous material storage areas. However, in the construction areas where the chemicals are used there were no SDSs.</li> <li>SDSs and hazardous material inventory were provided to MMT.</li> <li>Toolbox trainings related hazardous material management and PPE usage are provided to employees.</li> <li>PPEs are provided to all employees.</li> <li>Internal audit and site inspection records were shared with MMT.</li> <li>Fire-fighting equipment are in located close to hazardous material storage/usage areas.</li> </ul> <p>For more detailed information please refer to Section 2.2.10.</p>
ESAP 3.3	<p>Waste management</p> <ul style="list-style-type: none"> <li>Implement following plans prepared in the scope of Project's ESMS:                             <ul style="list-style-type: none"> <li>Waste Management Plan</li> <li>Emergency Preparedness and Response Plan</li> <li>Hazardous Material Management Plan</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Records of periodic site inspections conducted to check all wastes are separately collected, segregated, labelled, and stored in designated areas</li> <li>Disposal records of all types of wastes together with disposal records of excavated soil</li> <li>Waste disposal contracts</li> <li>Licenses of haulers' and disposal facilities'</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>The Project Company has established a Waste Management Plan (WMP), embedded within the ESMS for the construction phase and the EPC Contractor has a Waste Management Procedure. Industrial Waste Management Plan (IWMP) was prepared for the General Hospital and PTRH sites, in line with the national legislation.</li> </ul>



KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	<ul style="list-style-type: none"> <li>Collect, segregate label and store, transport, recycle wastes in line with the Waste Management Plan</li> <li>Ensure hazardous wastes are properly stored at the designated waste storage area</li> <li>Dispose wastes at licensed facilities according to their category in accordance with regulatory requirements</li> <li>Keep records of waste generation, storage, and disposal</li> <li>Use licensed haulers for the transport of wastes and keep waste transfer certificates</li> <li>Ensure disposal of wastes at licensed facilities</li> <li>Train site workers for waste management practices</li> </ul> <p>Ensure all required permits, approvals and declarations related to waste management plan are taken</p>	<ul style="list-style-type: none"> <li>Training record</li> <li>Records of permits, approvals and declarations (i.e., annual waste declaration made to the Ministry of Environment, Urbanization and Climate Change, insurance policies for hazardous waste compulsory financial liability)</li> </ul>		<ul style="list-style-type: none"> <li>Wastes are collected, segregated, labelled, stored and transported in line with Waste Management Plan.</li> <li>Wastes are disposed at licensed facilities according to their category in accordance with regulatory requirements</li> <li>Environmental training including waste management subjects are started to be provided to workers.</li> <li>For more detailed information please refer to Section 2.6.6.</li> </ul>
ESAP 3.4	<p>Wastewater</p> <ul style="list-style-type: none"> <li>Implement Wastewater Management Plan prepared in the scope of Project's ESMS</li> <li>Discharge domestic wastewater to the municipality infrastructure in accordance with the permits and protocols for connection to the municipal sewer system</li> </ul> <p>Ensure no industrial wastewater is discharged in the system</p>	<ul style="list-style-type: none"> <li>Municipal sewer system connection approval obtained from the relevant authority</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>Wastewater Management Plan prepared in the scope of Project's ESMS is being implemented.</li> <li>Wastewater from accommodation compounds, offices, and construction areas at General Hospital and PTRH sites is discharged into the municipal sewage system. 'Wastewater Connection Permit (Atıksu Bağlantı İznı) was obtained for both sites on 4 September 2018 from Kütahya Directorate of Water and Sewage Works granting that the discharge of domestic wastewater from</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
				construction sites to the city's sewer network.
ESAP 3.5	<p>Air Emissions (dust, exhaust emissions)</p> <ul style="list-style-type: none"> <li>Undertake air quality measurements for PM<sub>10</sub> on a monthly basis at monitoring stations located at the Project's boundary</li> </ul> <p>Ensure vehicle inspections are completed regularly for all equipment</p>	<ul style="list-style-type: none"> <li>Records of site inspections</li> <li>Records of air quality monitoring undertaken by a third-party</li> <li>Equipment and vehicle maintenance records</li> <li>Training records of workers and drivers</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>PM<sub>10</sub> measurements on a monthly basis continue and the measurement results for November 2022 are in line with the national and international limits.</li> <li>Equipment and vehicle maintenance records were reviewed during site visit.</li> <li>Environmental training was started to be given to workers who recently start working on the Project. Environmental Engineer stated that the training plan is being prepared and trainings will be provided to all employees. MMT will regularly check the current status of environmental trainings in the next monitoring periods.</li> </ul>
ESAP 3.6	<p>Noise</p> <ul style="list-style-type: none"> <li>Undertake monthly noise monitoring on a monthly basis at Project boundary.</li> </ul> <p>Obtain consent from Kütahya Provincial Directorate of Environment, Urbanization and Climate Change for undertaking construction activities during night-time (if occurs)</p>	<ul style="list-style-type: none"> <li>Records of site inspections</li> <li>Records of noise monitoring undertaken by a third-party</li> <li>Training records of workers</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>Monthly noise measurements are being conducted and the measurement results for November 2022 are in line with the national and international limits.</li> <li>Environmental training was started to be given to workers who recently start working on the Project. Environmental Engineer stated that the training plan is being prepared and trainings will be provided to all employees. MMT will regularly check the current status of environmental trainings in the next monitoring periods.</li> <li>In the Current Period, construction activities during nighttime were not undertaken. The EPC Contractor stated that in the next periods night-time works</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
might be needed and if so, consent from Kutahya PDoEUCC will be obtained				
<b>PS 4: Community Health, Safety and Security</b>				
ESAP 4.1	<p>Life and fire safety</p> <ul style="list-style-type: none"> <li>Hire a qualified third-party life and fire safety consultant to review life and fire safety</li> <li>Design the health campus in full compliance with the "Regulation on the Protection of Buildings from Fire" Official Gazette 26735 Date 19.12.2007</li> <li>A fire expert should be hired for the fire audit of existing offices and accommodation area and a positive confirmation should be secured from the expert in terms of fire safety</li> <li>The third-party life and fire safety consultant shall review the life and fire safety design against Turkish legal requirements as well as NFPA, and shall make recommendations if any significant issues are identified</li> <li>Provide design certification by the above professional to comply with life and fire safety requirements</li> </ul> <p>Review of life and fire safety systems during testing and commissioning and certify that construction of life and fire safety system has been carried out in accordance with the accepted design</p>	<ul style="list-style-type: none"> <li>Confirmation for fire safety of offices and accommodation area</li> <li>Third party audit report for Life and Fire Safety Plan</li> <li>Test and commissioning results</li> <li>Post construction life and fire safety certification (ie. Fire Safety Certificate and L&amp;FS Certificate)</li> </ul>	<p>Towards the end of construction phase</p> <p>At the time of commissioning</p>	<ul style="list-style-type: none"> <li>A fire safety audit has been conducted by technical consultant of the Project Company. The report will be reviewed once it is shared by the Project Company.</li> <li>Although fire safety related subjects are inspected under regular internal checks, accommodation and office areas should be separately inspected regarding fire safety.</li> </ul>
ESAP 4.2	<p>Community Health and Safety</p> <ul style="list-style-type: none"> <li>Implement Emergency Preparedness and Response Plan (EPRP) and</li> </ul>	<ul style="list-style-type: none"> <li>Records of audits and regular inspections</li> <li>Sufficient number of traffic signs</li> <li>Training records</li> </ul>	<p>During construction phase</p>	<ul style="list-style-type: none"> <li>A project-specific Community Health and Safety Plan (CHSP) was prepared for the construction phase and the Plan has been revised based on the MMT's</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	<p>disclose the plan to communities through Project website</p> <ul style="list-style-type: none"> <li>Update local authorities and communities if there are changes in the EPRP</li> <li>Undertake regular drills/exercises of emergency measures</li> <li>Train workers</li> <li>Document discussion of any identified impacts, risk, and mitigation measures with communities during construction and at least annually in the scope of Environmental and Social Performance Annual Monitoring Report (AMR)</li> <li>Provide road maintenance in case of any physical damage occurs due to the Project activities</li> </ul> <p>Define specific requirements for subcontractors in relation to road safety and speed limits when passing near neighbourhoods</p>	<ul style="list-style-type: none"> <li>Evidence of disclosure and updates</li> <li>Records of drills</li> <li>Records of meeting with the communities</li> <li>Records of maintenance activities</li> <li>Requirements for subcontractors</li> </ul>		<p>recommendations during ESDD studies to be in line with IFC PS4.</p> <ul style="list-style-type: none"> <li>A project-specific Emergency Response Plans (ERP) has been developed. However, ERP is not shared in the project website. When construction works accelerates, ERP should be revised and shared with authorities and neighbourhood communities at the Project website.</li> <li>13 drills were performed in 2022. There is no spill drill conducted during the construction phase of the Project to date. Workers are also trained regarding emergency response.</li> <li>Community meetings attendance list and meeting records are kept and shared with MMT for review.</li> <li>AMR has not been prepared yet. MMT informed Lenders and Project Company to decide the period and the format of the Annual E&amp;S Reporting.</li> <li>For more detailed information please refer to Section 2.2.9 and Section 2.5.</li> </ul>
ESAP 4.3	<p>Security</p> <ul style="list-style-type: none"> <li>Hire adequate, trained security staff (unarmed) who have not been involved in past security related incidents/abuses</li> </ul> <p>Ensure specific training on Human Rights Protection should be provided to security staff</p>	<ul style="list-style-type: none"> <li>Records of audits and inspections</li> <li>Records of credentials of security staff</li> <li>Training records of security staff</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>There are 38 security personnel and one Security Chief who is reporting to HR Chief on site. All security personnel have relevant certificates. Since the General Hospital is located in the centre of the city, there is a high level of interaction with community. The EPC Contractor stated that there was no security incident occurred to date. They are in contact with their stakeholders. The number of security personnel was found sufficient</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
				considering the status of the construction and security management. <ul style="list-style-type: none"> <li>Internal audits and inspections regarding security were conducted and records were provided to MMT.</li> <li>Credentials of the security staff were reviewed during site visit.</li> <li>No security specific training records were provided.</li> </ul>
<b>PS 8: Cultural Heritage</b>				
ESAP 8.1	Chance Finds <ul style="list-style-type: none"> <li>Implement Chance Find Procedure</li> </ul> Contact relevant authorities (i.e., Museum Directorate) in case of chance finds	<ul style="list-style-type: none"> <li>Records of chance finds documentation</li> <li>Copies of correspondence with authorities</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>Chance Find Procedure is generated and in place. It was stated by the Project Company and the EPC Contractor that that no finding has encountered to date.</li> </ul>
<b>PS 10: Information Disclosure and Stakeholder Engagement</b>				
ESAP 10.1	Information Disclosure/ Stakeholder Engagement/ Community Grievances <ul style="list-style-type: none"> <li>SEP to be updated if there are significant changes in the Project</li> <li>Publicize SEP and Grievance Mechanism including information on contact details of responsible staff to handle grievances</li> <li>Implement Grievance Mechanism</li> <li>Resolve grievances in a timely manner</li> <li>Undertake necessary preventative and corrective actions if needed</li> </ul> Document records of consultation and information disclosure Annual reporting to Lenders on the implementation of the ESAP and any new impacts/risks identified to affected communities in the scope of Environmental and Social	<ul style="list-style-type: none"> <li>Updated SEP</li> <li>Grievance log including records of grievances, response to grievances and corrective actions</li> <li>Grievance</li> <li>Consultation activity log</li> <li>Minutes of meetings</li> <li>Annual reports (AMR)</li> </ul>	During construction phase	<ul style="list-style-type: none"> <li>A Stakeholder Engagement Plan (SEP) has been established for the construction phase. SEP has not been revised. SEP as well as the stakeholder list to include all stakeholders needs to be updated. MMT will continue to monitor the implementation of SEP within the scope of the construction monitoring studies.</li> <li>SEP and grievance forms have been disclosed in the Project website. However, SEP provided in the Project website is in the English language. SEP needs to be translated into local language which is Turkish. The EPC Contractor informed MMT during site visit, that the SEP is being updated as per recommended in the 2nd Construction Monitoring Report; however, during the site visit on 29 December 2022, The EPC</li> </ul>

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	Performance Annual Monitoring Report (AMR)			<p>Contractor informed MMT that the revision of SEP is still ongoing.</p> <ul style="list-style-type: none"> <li>• There is a grievance mechanism in place. All public grievances are recorded in the Stakeholders' Grievance Track List. All the grievances received in Current Period are closed and information related the grievances were provided to the related persons.</li> <li>• Community meetings attendance list and meeting records are kept and shared with MMT for review.</li> <li>• AMR has not been prepared yet. MMT informed Lenders and Project Company to decide the period and the format of the Annual E&amp;S Reporting.</li> <li>• For more detailed information please refer to Section 2.5.</li> </ul>

## A. Site Photos

**Photo 1 General view from General Hospital Building Construction**



Source: Mott MacDonald Site Visit

**Photo 2 Maternity and Children Block of the General Hospital**



Source: Mott MacDonald Site Visit

**Photo 3 General view from PTRH Building Construction**



Source: Mott MacDonald Site Visit

**Photo 4 Hazardous waste storage area**



Source: Mott MacDonald Site Visit



**Photo 5 Laundry Building**



Source: Mott MacDonald Site Visit

**Photo 6 The warning signs on the door of the chemical storage area in PTRH**



Source: Mott MacDonald Site Visit



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