



Kütahya Health Campus Project

Environmental and Social Construction
Monitoring Report

December 2022

Confidential

This page left intentionally blank for pagination.

Mott MacDonald
Sun Plaza
Maslak District
Bilim Street
34398 Sarıyer-Maslak
İstanbul
Turkey

T +90 (0)212 366 5819
mottmac.com

Kütahya Health Campus Project

Environmental and Social Construction
Monitoring Report

December 2022

Confidential

Issue and Revision Record

Revision	Date	Originator	Checker	Approver	Description
A	28.12.2022	E. Sert S. Oguzlu	N. Ayvaz	N. Ayvaz	2 nd Environmental and Social Construction Monitoring Report

Document reference: 406904 | 002 | A |

Information class: Standard

This Report has been prepared solely for use by the party which commissioned it (the 'Client') in connection with the captioned project. It should not be used for any other purpose. No person other than the Client or any party who has expressly agreed terms of reliance with us (the 'Recipient(s)') may rely on the content, information or any views expressed in the Report. This Report is confidential and contains proprietary intellectual property and we accept no duty of care, responsibility or liability to any other recipient of this Report. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by us to any party other than the Client or any Recipient(s), as to the accuracy or completeness of the information contained in this Report. For the avoidance of doubt this Report does not in any way purport to include any legal, insurance or financial advice or opinion.

We disclaim all and any liability whether arising in tort, contract or otherwise which we might otherwise have to any party other than the Client or the Recipient(s), in respect of this Report, or any information contained in it. We accept no responsibility for any error or omission in the Report which is due to an error or omission in data, information or statements supplied to us by other parties including the Client (the 'Data'). We have not independently verified the Data or otherwise examined it to determine the accuracy, completeness, sufficiency for any purpose or feasibility for any particular outcome including financial.

Forecasts presented in this document were prepared using the Data and the Report is dependent or based on the Data. Inevitably, some of the assumptions used to develop the forecasts will not be realised and unanticipated events and circumstances may occur. Consequently, we do not guarantee or warrant the conclusions contained in the Report as there are likely to be differences between the forecasts and the actual results and those differences may be material. While we consider that the information and opinions given in this Report are sound all parties must rely on their own skill and judgement when making use of it.

Information and opinions are current only as of the date of the Report and we accept no responsibility for updating such information or opinion. It should, therefore, not be assumed that any such information or opinion continues to be accurate subsequent to the date of the Report. Under no circumstances may this Report or any extract or summary thereof be used in connection with any public or private securities offering including any related memorandum or prospectus for any securities offering or stock exchange listing or announcement.

By acceptance of this Report you agree to be bound by this disclaimer. This disclaimer and any issues, disputes or claims arising out of or in connection with it (whether contractual or non-contractual in nature such as claims in tort, from breach of statute or regulation or otherwise) shall be governed by, and construed in accordance with, the laws of England and Wales to the exclusion of all conflict of laws principles and rules. All disputes or claims arising out of or relating to this disclaimer shall be subject to the exclusive jurisdiction of the English and Welsh courts to which the parties irrevocably submit.

Contents

Executive summary	1
1 Introduction	7
1.1 Background	7
1.2 Scope of Work	7
1.3 Project Description	8
1.3.1 Project Sites and Location	9
2 Environment, Health, Safety and Social Management	13
2.1 Management, Monitoring and Reporting	13
2.1.1 Environmental and Social Management System	13
2.1.2 Environmental and Social Monitoring and Reporting	14
2.1.3 Environmental and Social Organisational Capacity	14
2.1.4 Subcontractor Management	15
2.1.5 Training	16
2.1.6 Permitting	17
2.2 Occupational Health and Safety (OHS)	20
2.2.1 Site Observations	20
2.2.2 Accidents	21
2.2.3 Meetings	23
2.2.4 Site Inspections and Audits	23
2.2.5 Periodic Equipment and Machinery Inspections	24
2.2.6 Method Statements	24
2.2.7 Work Permit	25
2.2.8 Risk Assessment	25
2.2.9 Emergency Response and Drills	25
2.2.10 Hazardous Material Storage	26
2.2.11 Traffic	26
2.2.12 Seismicity	27
2.3 Labour Management	27
2.3.1 Labour and Working Conditions	28
2.3.2 Workers' Accommodation	28
2.3.3 Worker's Grievance Mechanism	29
2.3.4 Labour Audit	30
2.3.5 Gender Equality and Prevention of Gender Based Violence and Harassment (GBVH)	30
2.4 Community Health, Safety and Security	31
2.5 Stakeholder Engagement and Public Grievances	31
2.6 Environment	32
2.6.1 Site Observations	32

2.6.2	Environmental Meetings, Trainings and Drills	32
2.6.3	Environmental Accidents	32
2.6.4	Water Supply and Water Hygiene	32
2.6.5	Wastewater	33
2.6.6	Waste Management	34
2.6.7	Air Quality	34
2.6.8	Noise	37
2.7	Cultural Heritage	39
2.8	Construction Phase ESAP Status Table	40

A. Site Photos 54

Tables

Table 1-1	General Hospital Progress Table	8
Table 1-2	PTRH Progress Table	9
Table 2-1	Environmental Permitting Review for Construction Phase	18
Table 2-2	Accident Records (September 2022)	21
Table 2-3	Accident Records (October 2022) Accident Date	21
Table 2-4	Types and Numbers of the Inspections and Audits conducted in the Current Period	24
Table 2-5	Workers' Grievances List in Current Period	29
Table 2-6	Water Use in 2022 including the Current Period	33
Table 2-7	Construction Phase ESAP Implementation Table	41

Figures

Figure 1-1	Respective Locations of Kutahya General Hospital and PTRH	10
Figure 1-2	Aerial View of General Hospital Construction Site at Kütahya City Center	10
Figure 1-3	Aerial View of Physical Therapy and Rehabilitation Hospital Site in Yoncalı District of Kütahya City	11
Figure 2-1	PM ₁₀ Measurement Points in the General Hospital	36
Figure 2-2	PM ₁₀ Measurement Points in the PTRH	36
Figure 2-3	Noise Measurement Points in the General Hospital	38
Figure 2-4	Noise Measurement Points in the PTRH	38

Photos

Photo 1	General view from General Hospital Building Construction	54
Photo 2	General view from PTRH Building Construction	54
Photo 3	Non hazardous waste storage area	55
Photo 4	Improvements at the shower area in the accommodation area of the PTRH	55

Photo 5 Eye shower in the chemical storage area

56

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 2.8 for implementation status of ESAP item.

This Construction Monitoring Report No. 02 for September 2022 and October 2022 progress has been prepared based on the data received from the Project Company and EPC Contractor for September 2022 and October 2022 and the information obtained on the MMT's site visit dated 24 November 2022. The document request list provided to Project Company and EPC Contractor was prepared for the information and documentation belonging to September 2022 and October 2022. Therefore, the information and documentation discussed in this report represents the situation in September 2022 and October 2022. The next monitoring study is planned to be conducted in December 2022 and will be based on the information and documentation for November 2022.

Project Description

The Project consists of a 510-bed capacity General Hospital to be constructed on 149,926 m² land area located in Kütahya city center, and a 100-bed capacity Physical Therapy and Rehabilitation Hospital (PTRH) to be constructed on 31,263 m² land area located in the Yoncalı neighbourhood at approximately 16 km from the centre of Kütahya.

As of 30 September 2022, a total of 951 workers were working at the Project sites; and, as of 31 October 2022, this number increased to 1411. Project Company projected that the total number of workers at peak might increase up to 1,676 of which 1,336 at the General Hospital; and 340 at PTRH. As of 30 September 2022, a total of 28 subcontractor companies were actively working on site, while as of 31 October 2022, this number was increased to 34. 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 October 2022, overall progress completion for the Project was estimated by EPC Contractor at 59.83%.

Health, Safety and Environmental (HSE) Organizational Capacity

The EPC Contractor has 10 HSE personnel in the Project site which consists of eight 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

recommends increasing the number of HSE team with more experienced members to ensure safer site practices.

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

Environmental and Social Management System

The Environmental and Social Management System (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 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.

Occupational Health and Safety

In September 2022, only four first aid accidents occurred, while in October 2022, the number of first aid accidents was nine. Lost time injuries that occurred in September 2022 and October 2022 were one and two, respectively. All near miss records were provided to MMT for review and there were no near misses reported in September and October 2022. MMT is in opinion that the number of the near miss notifications are quite low considering the time interval. All near misses should be recorded. In the HSE Non-conformity and Corrective - Preventive Action Follow List, there are no records related to accidents and near misses. The accident data in the Accident Track List and HSE Performance Form is inconsistent. MMT recommends that the accident records should be kept correctly and numbers of accidents in HSE Forms and Accident Track List should be aligned. Corrective and preventive actions related accidents and near misses should be determined, recorded to the HSE Non-conformity and Corrective - Preventive Action Follow List and the actions should be followed until they are closed.

In September 2022, seven HS-related non-conformities; in October 2022, nineteen non-conformities were detected and all of them were closed. Date, responsible subcontractor, description, and the close date of the non-conformities were recorded in the list however which corrective actions were taken cannot be seen in the list. Non-conformities were about PPE usage, fire risk, oil leakage, working at height 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. Periodic inspections of work equipment/machinery have been performed. HSE department is responsible for tracking the periodic maintenance. All equipment used by subcontractors are included in the tracking list of periodic maintenance for the equipment. However, the required period for the maintenance is not given in the list. Therefore, it is not possible to track whether the maintenance times are due. Tracking list of periodic maintenance for the equipment should be revised to include the required period for the maintenance. During site visit equipment with tags were observed however there were some exceptions. 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.

Records of Monthly OHS Committee Meeting of EPC Contractor which was held on 30 September 2022 were shared with MMT. As stated in the Regulation on Health and Safety Committees, sub-contractors with more than 50 employees should hold separate committee meetings. There were nine subcontractors with more than 50 employees during Current Period. However only records of monthly OHS Committee Meetings of three subcontractors for

September 2022 were provided to MMT for review. Also, there is no meeting record provided to MMT for October 2022. Contractors 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 September and October 2022. There is no spill drill conducted during the construction phase of the Project to date.

Safety Data Sheets (SDSs) of materials used by EPC Contractor and subcontractor a track list for all SDSs have been provided to MMT for review. 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, in the construction site, it was observed that the small amount of chemicals were kept inside water/beverage bottles without any warning or tag. In the hazardous materials storage areas sufficient number of spill kits and eye showers were present.

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. 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 m³; while the frequency is four times a year if the daily water consumption is between 100 and 1000 m³. Considering the water consumption data provided in Table 2 6, one water quality analysis is inadequate according to the national regulation. Water quality analysis should be conducted in a timely manner according to Regulation on Water Intended for Human Consumption considering the water consumption amount. MMT would like to review recent water analysis including colour and turbidity 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. There is no septic tank in both construction areas.

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. During the site visit in November 2022, MMT observed in waste storage area that majority of 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 improved according to previous site visit. EPC Contractor said that there is a cleaning team of 25 workers who are responsible from waste collection and separation, and they are regularly collecting the waste generated in the construction site.. Waste management

and housekeeping inside the buildings where construction activities are ongoing needs to be regularly checked and waste management trainings should be given to subcontractor workers by the Environmental Engineer of EPC Contractor.

Monthly PM₁₀ monitoring studies are being conducted at six monitoring points (four measurement locations located approximately construction area borders in General Hospital, whereas two locations located approximately construction area borders at PTRH) .According to Air and Noise Quality Monitoring Report issued in September and October 2022, PM₁₀ values which are between 23.7 – 26.2 µg/m³ and 22.1 – 25.3 µg/m³ do not exceed the limit values defined in the Turkish legislation, the IFC limit and EU limits.

Monthly ambient noise measurements have been conducted at six measurement locations (four measurement locations located approximately construction area borders in General Hospital, whereas two locations located approximately construction area borders at PTRH) since 2019. According to Air and Noise Quality Monitoring Report issued in September 2022, noise measurements were conducted between 14 – 15 September 2022 and 18 – 20 October 2022, all average measured noise values are below the limit values defined in the Turkish legislation and the IFC limits.

Environmental accident did not occur within both construction sites in September 2022 and October 2022. 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. MMT will regularly check the current status of environmental trainings in the next monitoring periods. Environmental Engineer informed MMT about the workplan for the environmental drills. MMT will check the environmental drill plan in the next site visit.

Labour and Working Conditions and Grievance Mechanism

HR Chief of EPC Contractor performs payment checks each month for subcontractor workers to cross-check working hours and realized payments. Working hours of subcontractor workers are recorded manually by the relevant subcontractor responsible and submitted to EPC Contractor's HR Chief. Since there is no automated card-system to monitor sub-contractor workers entrance/exit to the Project site; the HR chief conducts his overtime controls manually and relying on sub-contractor's information.

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 in September 2022, poor ventilation in the rooms, lack of liquid soap and odour problems were recorded; while, in October 2022, lack of lockers in the accommodation areas, drain cleaning problems were detected. 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.

Two workers' accommodation compounds have been provided in the form of prefabricated containers for both sites, also including laundry rooms, dining halls and social areas. Fire detectors, smoke detectors, and fire extinguishers are present at both camp areas. There is a central heating system in the accommodation areas. Rooms/dormitories were observed in good condition. There are dedicated closets with lockers inside the rooms. The sanitary and toilet facilities are located inside the buildings. The poor conditions at the shower area in the accommodation area of the PTRH were improved and the area was renovated.

EPC Contractor's Grievance Management Procedure is in place. It was observed that there are 30 grievance boxes for the workforce at the Project site and accommodation camps; and both verbal and written grievances have been collected by the HR Chief of EPC Contractor. 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.

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 27.09.2022 and 29.10.2022, 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 EPC Contractor personnel did not obtain training on handling gender-based violence and harassment cases.). EPC Contractor personnel should obtain training on handling gender-based violence and harassment cases.

Community Health and Safety

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. EPC Contractor stated that there was no security incident occurred to date. Increase in the number of security personnel was suggested by MMT in the previous report, however during focus group meeting with security personnel conducted by MMT, it was understood that the security personnel numbers are sufficient considering the status of the construction and security management. Although there are security cameras in the project areas, MMT recommends the site walkovers conducted by security personnel to be increased.

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. The EPC Contractor informed MMT that the SEP is being updating and updated SEP will be publicly available by the end of 2022.

The stakeholder meetings are held every three months. In the Current Period there were no meetings held, so there are no recorded grievances. The next stakeholder meetings will be held in November 2022, which will be discussed in the next monitoring period. The EPC Contractor performs meetings with headmen (mukhtars) of Bahcelievler, Evliyacelebi and Okmeydani Neighbourhoods in every three months. These meetings showed that stakeholder engagement activities have been on-going. The records of the meeting will be checked during next site visit.

Total 177 grievances were received from December 2020 to by the end of October 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 Stakeholder' 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 EPC Contractor. Remaining grievances were closed and information related the grievances were provided to the related persons.

Project Company and EPC Contractor contribute to community development by empowering society and promoting equality and social justice. In order to increase the wellbeing of the community, in 2020, renovation of the Atatürk Bust and bathroom ceramic in Yoncalı Police Station; in 2021, construction of the Yamantürk Non-Disabled Life and Rehabilitation Centre, procurement of concrete for Radar Mosque, exterior paint works at Yoncalı Police Station; in 2022, electrical installations at Yoncalı Police Station and paint works at the Needlecraft Course were completed by the Project Company and EPC Contractor.

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)¹'.

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 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. 02 ('this Report') covers two-months period, September and October 2022. Project period of 1 September 2022 – 31 October 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 24 November 2022 as well as documents and information provided by Project Company and EPC Contractor of the Project. The documents and information received until 30 November 2022 have been considered in this Report. The document request list provided to Project Company and EPC

¹ 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.

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

1.3 Project Description

The Project consists of a 510-bed capacity General Hospital to be constructed on 149,926 m² land area located in Kütahya city center, and a 100-bed capacity Physical Therapy and Rehabilitation Hospital (PTRH) to be constructed on 31,263 m² land area located in the Yoncalı neighbourhood at approximately 16 km from the centre of Kütahya.

As of 30 September 2022, a total of 951 workers were working at the Project sites; and, as of 31 October 2022, this number increased to 1411. Project Company projected that the total number of workers at peak might increase up to 1,676 of which 1,336 at the General Hospital; and 340 at PTRH. As of 30 September 2022, a total of 28 subcontractor companies were actively working on site, while as of 31 October 2022, this number was increased to 34.

MMT was informed that the previous landowner of the General Hospital area was gendarmerie, and the land was used for training purposes. The land allocated for the PTRH was a treasury land. The Project's right of construction of the lands for General Hospital and PTRH were granted to the Project Company by the Ministry of Treasury and Ministry of Health on 15 August 2018.

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 October 2022, overall progress completion for the Project was estimated by EPC Contractor at 59.83%. Progress rates of the General Hospital and PTRH construction sites as of 31 October 2022 are provided respectively by the below tables.

Table 1-1 General Hospital Progress Table

Work Description	Progress
DESIGN WORKS	100%
CIVIL & STRUCTURAL WORKS	98.36%
ARCHITECTURAL WORKS	65.05%
Fishing works	65.05%
Partition walls	89.37%
Roof works	98.00%
Door, interior window and fixed furniture works	54.37%
Floor finishes	50.05%
Ceiling finishes	39.53%
Wall finishes	59.47%
FACADE WORKS	83.29%
MECHANICAL WORKS	45.73%
ELECTRICAL WORKS	32.87%
INFRASTRUCTURAL & LANDSCAPING WORKS	44.01%
Average Overall Progress	65.45%

Source: "Progress table" provided by EPC Contractor in November 2022.

Table 1-2 PTRH Progress Table

Work Description	Progress
CIVIL & STRUCTURAL WORKS	98.39%
ARCHITECTURAL WORKS	66.76%
Fishing works	66.76%
Partition walls	92.89%
Roof works	97.50%
Door, interior window and fixed furniture works	52.28%
Floor finishes	51.82%
Ceiling finishes	48.56%
Wall finishes	61.34%
FACADE WORKS	88.93%
MECHANICAL WORKS	60.69%
ELECTRICAL WORKS	39.18%
INFRASTRUCTURAL & LANDSCAPING WORKS	42.44%
Average Overall Progress	69.76%

Source: "Progress table" provided by EPC Contractor in November 2022.

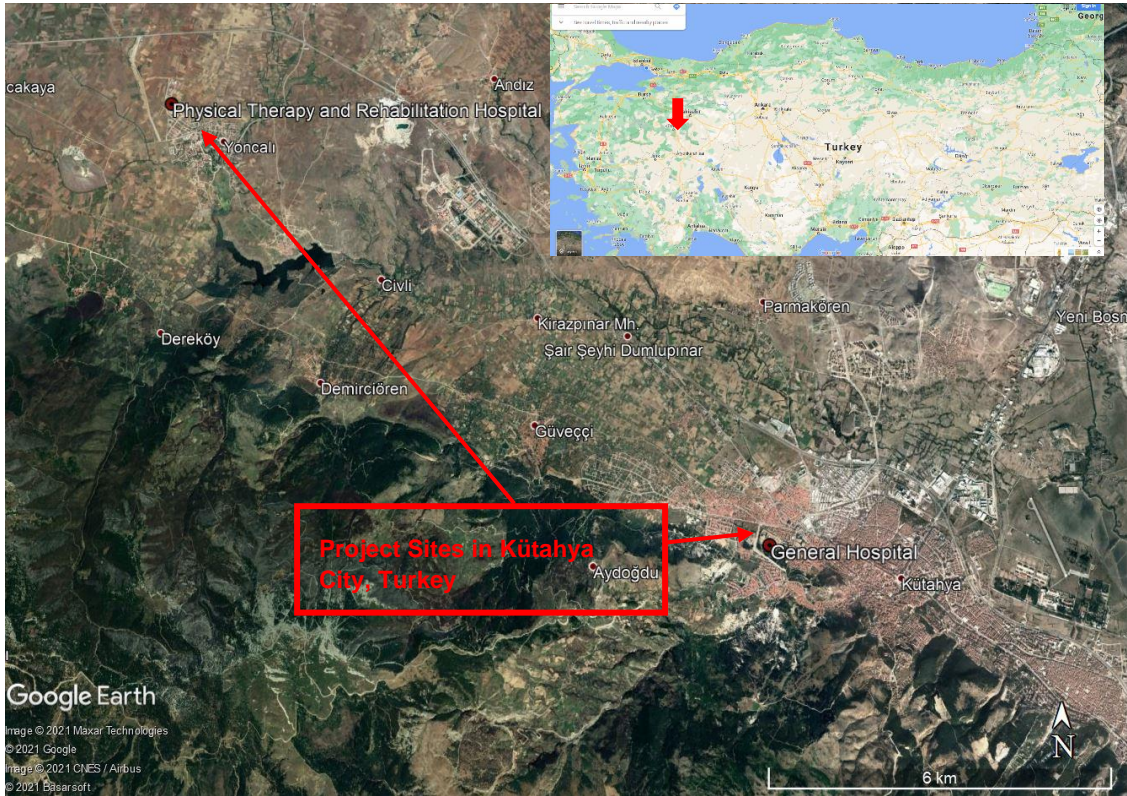
1.3.1 Project Sites and Location

As mentioned above, the 510-bed General Hospital of Kütahya Health Campus Project is being constructed on a 149,926 m² footprint area, adjacent to the Evliya Celebi State Hospital in the Kütahya City Center. The 100-bed capacity PTRH is being constructed on a 31,263 m² 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



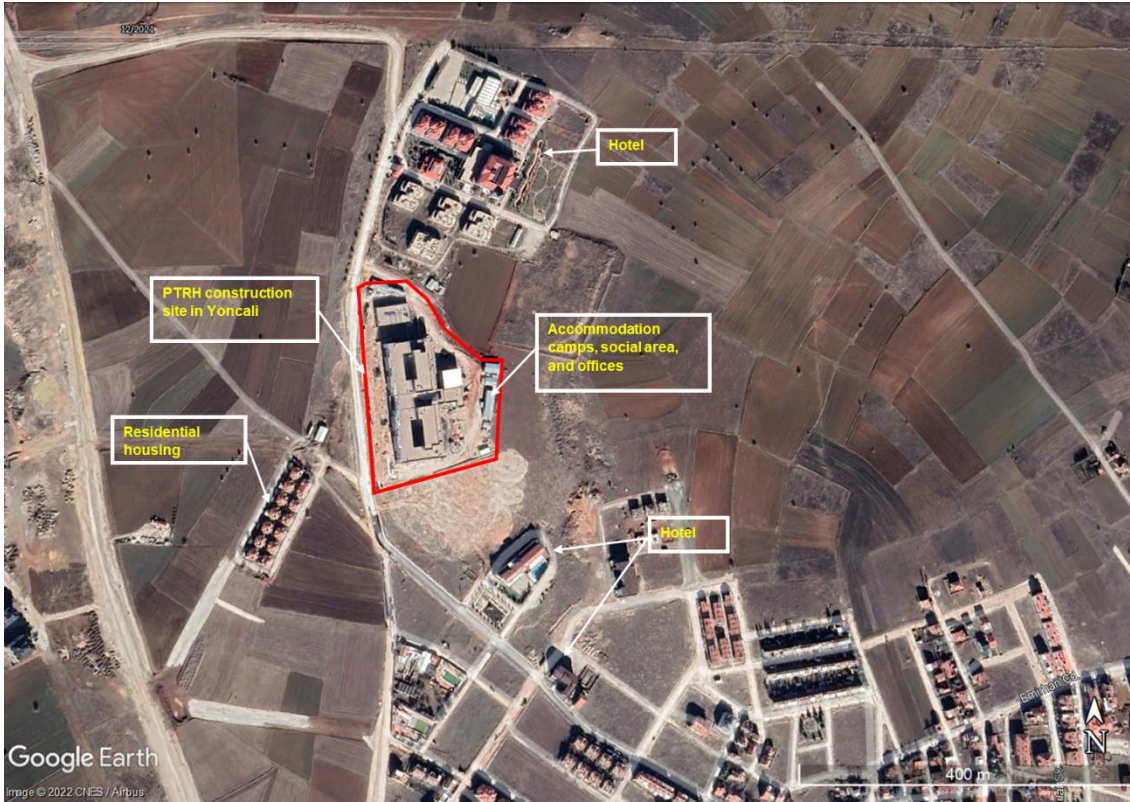
Source: Google Earth – Kütahya Health Campus Project

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 Yoncali 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 boundaries². 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 Yoncali Neighbourhood at approximately 16km distance from the centre of Kütahya. The PTRH site is at the outskirts of Yoncali 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 PRTH and 27.2km distance to the southeast of PTRH (10km to the northwest and southeast of GH). As reported by the Project

² The approximate distances regarding to the closest settlements in Gultepe 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/>).

Company, concrete is supplied from the two above-mentioned operation plant locations depending on the planning made by the concrete plant.

2 Environment, Health, Safety and Social Management

2.1 Management, Monitoring and Reporting

2.1.1 Environmental and Social Management System

In accordance with ESAP Item 1.1, the Project Company is required to implement Environmental and Social Management System (ESMS) documents for the construction phase of the Project. The Project Company has developed 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 as below:

- ESMS Policy
- Environment, Health, Safety and Social Policy
- Human Resources Policy
- Human Rights Policy
- ESMS Manual
- Emergency Preparedness and Response Plan
- Occupational Health and Safety Plan
- Security Management Plan
- Traffic Management Plan
- Construction Camp Management Plan
- Employment and Procurement Plan
- Waste Management Plan
- Wastewater Management Plan
- Noise and Vibration Management Plan
- Air Quality Management Plan
- Hazardous Materials Management Plan
- Spill Response Plan
- Community Health and Safety Plan
- Resource Efficiency Pollution Prevention Plan
- Training Management Plan
- Grievance Mechanism Procedure
- Supply Chain Management Plan (Subcontractor Management and Monitoring Plan)
- Stakeholder Engagement Plan
- Archaeological Chance Find Procedure
- Permit to Work Procedure

The ESMS has been reviewed by MMT and comments on individual documents were provided to the Project Company during ESDD study. Final versions of the plan/procedures have addressed majority of MMT's recommendations and comments provided during finalisation of the ESDD report.

In addition, 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.

EPC Contractor informed MMT during site visit, that the Stakeholder Engagement Plan and Traffic Management Plan (TMP) are being updated as per recommended in the 1st Construction Monitoring Report and aimed to be finalized by the end of 2022.

Recommendation/Conclusion:

- Stakeholder Engagement Plan needs to be revised to include recent stakeholder activities by the end of 2022. 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 by the end of 2022.

2.1.2 Environmental and Social Monitoring and Reporting

EPC Contractor has developed Project specific environmental and social management system (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. In line with the ESMS, a monthly HSE Performance Form has been prepared in order to inform on some Key Performance Indicators (KPIs) including number of employees & HSE specialists on site, the number of accidents, the number of trainings given, lost man-hours after accidents/incidents, number of medical examinations, HSE meetings and internal site inspections at the given month. HSE Performance Forms filled for the Current Period have been provided for MMT's review. Parameters in the HSE Performance Form focuses on health and safety related aspects only. During site visit EPC Contractor informed MMT that the HSE Performance Forms were updated in November to include environmental parameters and MMT will review the updated HSE Performance Form in the next monitoring period.

Recommendation/Conclusion:

- ESMP needs to be translated into Turkish and English versions of ESMP need to be published in the project website.
- Monthly HSE Performance Form needs to be revised to include amount of wastes disposed according to waste types and resource consumption amounts such as energy, fuel and water.

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:

- EPC contractor provided an up-to-date HSE organisation chart reflecting the number of HSE personnel. In total, there are 10 HSE personnel in the Project site which consists of eight 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 above listed HSE personnel, there is a medical team of one doctor, and one health personnel.
- 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, MMT is of the opinion that the number of HS Officers should 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

A Supply Chain Management Plan which serves as a Subcontractor Management and Monitoring Plan specific for the construction phase has been produced; including supplier selection criteria in line with IFC PS2 to be adopted by EPC Contractor and subcontractors. In addition, EPC Contractor established a Subcontractor Management Procedure, which includes assessment of third-party performance; and commitments of subcontractors to comply with EPC Contractor's environmental, health and safety practices.

The MMT was informed that 28 subcontractors were active on site in September 2022; and, as of 31 October 2022, 34 subcontractors were present. 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, Environmental and Social Management System (ESMS)/ Environmental and Social Management Plan (ESMP) could not be seen in the template of the contract. However, it should be noted that the appendix of the contract were 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, Environmental and Social Management System (ESMS)/ Environmental and Social Management Plan (ESMP) once shared with MMT.

Subcontractors are evaluated by EPC contractor according to their working performance. During previous site visit sample evaluation forms for the subcontractor evaluation were provided to MMT. There is a ranking system in the evaluation forms and according to this ranking system subcontractor with the score less than 40 out of 100 is considered as unworkable. In addition to working performance evaluation, subcontractors are also evaluated according to their HSE performance which only covers health and safety issues. However, subcontractor working performance evaluation and HSE 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 and occupational health and safety and environmental legislation, Environmental and Social Management System (ESMS) / Environmental and Social Management Plan (ESMP). MMT will monitor this issue in the next monitoring study.
- 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.
- Legal compliance track list for the subcontractor should be prepared and regularly updated order to ensure they are in line with the local requirements.

2.1.5 Training

Annual training plan for 2022 was provided to MMT for review. In the training plan annual 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.

For compliance with the relevant regulation³, 16-hour training has been given to all employees. According to the monthly HSE Performance Form, a total of 564 personnel of the EPC Contractor and subcontractors received health and safety trainings in September 2022, and 714 personnel took the trainings in October 2022. Two toolbox talks about hot work and working at height were performed in September 2022 and four more toolbox talks about working at height were performed in October 2022 for 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 these months are quite insufficient. MMT is still in opinion that the number of toolbox talks should be increased. 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. MMT will check the toolbox talk numbers in the next site visit. 16-hour training presentations and participation records were shared with the 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 Training⁴

According to monthly HSE Performance Form, the total number of first aiders (with a valid first aider certificate) was 32 in September 2022 and as stated by the EPC Contractor during previous site visit, this number increased to 80 for October 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 142 first aiders should be employed for 1411 average number of workers on site). During the site visit, EPC Contractor informed MMT that the worker numbers increased drastically in the last two months and EPC Contractor ensures that more workers are still 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. EPC Contractor shared the updated employee list which represents the which employee has vocational competence certificate. Vocational competence certificates are kept by HR Department and checked during site visit by MMT.

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.

³ 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.

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

- 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.)

2.1.6 Permitting

Table 2-1 below presents the recent status of the permits and approvals based on the information/responses/documents provided by the Project Company.

Table 2-1 Environmental Permitting Review for Construction Phase

Project Site	Permit Name/ Approval	Authority/ Regulation Required	Reason required	Target Date and Approval	Responsibility	Description
General Hospital PTRH	EIA (Health Campus)	Kütahya Provincial Directorate of Environmental, Urbanization and Climate Change (PDoEUCC) Environmental Impact Assessment Regulation	To ensure compliance with EIA regulation	"EIA Exemption" decisions are issued on 27 September 2018.	Project Company/MoH	The Project is exempted from Turkish environmental impact assessment process. No further action required.
General Hospital	EIA (Tri-generation plant/Boilers)	Kütahya Provincial Directorate of Environmental, Urbanization and Climate Change (PDoEUCC) Environmental Impact Assessment Regulation	To ensure compliance with EIA regulation	Prior to construction of the system	Project Company/MoH	Trigeneration plant will be operational with the capacity of 4,056kWe together with a total of four boilers each having 5MWe capacity. Therefore, a Project Introductory File (<i>PIF-Proje Tanıtım Dosyası in Turkish</i>) was prepared and submitted on 21 September 2021. In accordance with the submitted PIF, 'EIA Not Required' decision was secured for the trigeneration plant on 26 November 2021. No further action required.
PTRH	EIA (Boilers)	Kütahya Provincial Directorate of Environmental, Urbanization and Climate Change (PDoEUCC) Environmental Impact Assessment Regulation	To ensure compliance with EIA regulation	Prior to construction of the system	EPC Contractor/MoH	No action required. Due to the capacity of the boilers, they are exempted from the preparation of a PIF prior to construction of this facility.
General Hospital PTRH	Land Certificates and Superficies Right or Right of Construction	Kütahya Directorate of Land Registry	Land certificates show the owner of the Project sites Superficies right enables contractor company to perform their operations on a land own by MoH.	Prior to the construction	EPC Contractor/ Ministry of Treasury and MoH	None. Land certificates were secured on 15 August 2018 for 27 years. Contracts of superficies right and construction permits were

Project Site	Permit Name/ Approval	Authority/ Regulation Required	Reason required	Target Date and Approval	Responsibility	Description
						provided by the Project Company on 15 February 2022. No further action required. Please refer to Annex A for land certificates.
General Hospital PTRH	The Environment Permit	Kütahya Provincial Directorate of Environmental, Urbanization and Climate Change (PDoEUCC) Environmental permits and Licenses Regulation	The Environment Permit covers emission, discharge, noise control, deep sea discharge and stabilized mud treatment usage permits, and certifies that the receiving environment – such as air, water, soil, etc. – is protected from the activities required to obtain the Environment Permit.	Official exemption letter has been issued by Kütahya PDoEUCC on 11 July 2019.	Project Company/MoH	The health campus construction is outside of the scope of the Regulation. No action required.
General Hospital PTRH	Wastewater connection permit	Kütahya Directorate of Water and Sewage Work	To ensure domestic wastewater is discharged to the City's sewage network.	Prior to the construction	EPC Contractor	Secured on 04 September 2018. No further action required.
General Hospital PTRH	Utility water connection	Kütahya Municipality	To ensure water is provided from the City's water network for domestic use.	Prior to the construction	EPC Contractor	Secured on 01 November 2019. No further action required.
General Hospital PTRH	Temporary waste storage permit	Kütahya Provincial Directorate of Environmental, Urbanization and Climate Change (PDoEUCC) Regulation on Waste Management	To ensure compliance with Regulation on Environmental Permits and Licenses.	Prior to the construction	EPC Contractor	Although the site is subject to the regulation, no permit is required due to volume of waste produced at the construction site (<i>as per Article 13 of the Regulation</i>). No further action required.
General Hospital	Groundwater exploration and utilization permit	State Hydraulic Works (<i>DSI in Turkish</i>) Groundwater Technical Regulation	To ensure compliance with DSI Groundwater Technical Regulation	Prior to the use of groundwater resources	EPC Contractor	Groundwater utilization permit with permitted amount of 8.33 ton/day was secured on 26 March 2021. No further action required.

2.2 Occupational Health and Safety (OHS)

2.2.1 Site Observations

A site visit was conducted on 24 November 2022 covering the construction areas including General Hospital and PTRH construction sites and the workers camp areas with the participation of 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 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.
- There were workers who smoke in working areas inside the buildings. Smoking areas for workers were designated inside the buildings however, workers still smoke in working areas during work.
- EPC Contractor informed that regular scaffold inspections have been performed by 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 moving scaffold was in use with a non-functioning brake and without any warning signs on the construction site.
- There were no stair railings on any floors of the General Hospital and on the top floor of the PTRH.
- Speed limit signs were not easily seen due to their small size and location in the General Hospital and PTRH construction sites.
- There were some chemical containers without labelling and SDS in the construction site.
- Sufficient number of fire extinguishers were placed at working areas. The fire extinguishers were checked within the last month.
- The number of emergency exit and stair labels were increased.
- There were lack of insulation mats under the transformers inside the buildings at General Hospital and PTRH construction sites.
- Indoor lighting was improved in the hallways and rooms in the construction areas inside the buildings at the General Hospital and PTRH construction sites.

Recommendation/Conclusion:

- PPE usage should be strictly monitored by EPC Contractor by performing periodic site inspections.
- Smoking at working areas should be strictly prohibited and regularly monitored.
- 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 each floor of the General Hospital and on the top floor of the PTRH.

- 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.
- All the buildings under construction should be checked regularly and provided with the sufficient number of emergency exit and stairs labels.
- Insulation mats should be placed under the transformers inside the buildings at General Hospital and PTRH construction sites.
- Indoor lighting measurements should be conducted inside the buildings throughout the construction site and sufficient lightning should be provided at the construction sites.
- The size of speed limit signs in the General Hospital and PTRH should be enlarged to be seen easily.

2.2.2 Accidents

Accidents that occurred in September 2022 and October 2022 are presented in Table 2-2 and Table 2-3 respectively. The accident data in the Accident Track List and HSE Performance Form is inconsistent. In September 2022, seven accidents were reported in the Accident Track Form, while six accidents were reported in the HSE Performance Form. In October 2022, eighteen accidents were reported in the Accident Track Form, while nineteen were recorded in the HSE Performance Form. Table 2-2 and Table 2-3 contain information gathered from the Accident Track List.

Table 2-2 Accident Records (September 2022)

Accident Date	Accident Type	Lost Day
01.09.2022	Medical Treatment Case	2
21.09.2022	First Aid Case	0
17.09.2022	First Aid Case	0
18.09.2022	First Aid Case	0
22.09.2022	Medical Treatment Case	2
30.09.2022	First Aid Case	0
30.09.2022	Lost Time Injury	7

Table 2-3 Accident Records (October 2022) Accident Date

Accident Date	Accident Type	Lost Day
09.10.2022	First Aid Case	0
09.10.2022	First Aid Case	0
11.10.2022	Medical Treatment Case	2
11.10.2022	First Aid Case	0
12.10.2022	Medical Treatment Case	3
13.10.2022	First Aid Case	0
14.10.2022	Medical Treatment Case	3
15.10.2022	First Aid Case	0

Accident Date	Accident Type	Lost Day
19.10.2022	First Aid Case	0
19.10.2022	First Aid Case	0
20.10.2022	First Aid Case	0
22.10.2022	Medical Treatment Case	3
23.10.2022	Medical Treatment Case	3
26.10.2022	Medical Treatment Case	2
26.10.2022	Lost Time Injury	4
29.10.2022	First Aid Case	0
29.10.2022	Medical Treatment Case	2
31.10.2022	Lost Time Injury	4

MMT was provided with the records of accidents that occurred in September 2022 and October 2022. and the 2022-Accident Statistics document updated for October 2022. According to these records, in September 2022, only four first aid accidents occurred, while in October 2022, the number of first aid accidents was nine. Details of the accidents were provided to MMT for review. Lost time injuries that occurred in September 2022 and October 2022 were one and two, respectively. The types of accidents are bruise, burn, hand cut and sprain, slip and fall. The root causes of these three accidents were determined as lack of attention and unawareness. 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. All near miss records were provided to MMT for review and there are no near misses reported in September and October 2022. MMT is in opinion that the number of the near miss notifications are quite low considering the time interval. It is important to report and record all near misses.

In the HSE Non-conformity and Corrective - Preventive Action Follow List, there are no records related to accidents and near misses.

Recommendation/Conclusion:

- Content of the Toolbox talks should include unsafe behaviour and the right to refuse to work subjects. MMT will follow up toolbox talks records and contents in the next monitoring periods.
- Accident records should be kept correctly and numbers of accidents in HSE Forms and Accident Track List should be consistent.
- Corrective and preventive actions related accidents and near misses should be determined, recorded to the HSE Non-conformity and Corrective - Preventive Action Follow List and the actions should be followed until it is closed.
- Employees should be trained about the near misses and encourage to report near misses. All near misses should be recorded. Training records for near misses will be controlled by MMT in the next monitoring periods.

2.2.3 Meetings⁵

Records of Monthly OHS Committee Meeting of EPC Contractor which was held on 30 September 2022 were shared with MMT. As stated in the Regulation on Health and Safety Committees, sub-contractors with more than 50 employees should hold separate committee meetings. There were nine subcontractors with more than 50 employees during Current Period. However only records of monthly OHS Committee Meetings of three subcontractors for September 2022 were provided to MMT for review. Also, there is no meeting record provided to MMT for October 2022.

Recommendation/Conclusion:

- Contractors 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 Reporting 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, it was stated during the site visit that, periodic environmental site walks are conducted. During the site inspections, when a non-compliance is observed, if it is not very risky and easily correctable, HS Officers communicate with the subcontractors and make sure necessary actions are taken. On the other hand, if the non-compliance is not easily correctable or the situation is risky corrective actions are determined and these actions are followed up by HSE Department. Non-conformity and Corrective - Preventive Action Follow List has been shared with the MMT for review. In September 2022, seven non-conformities; in October 2022, nineteen non-conformities were detected and all of them were closed. Date, responsible subcontractor, description and the close date of the non-conformities were recorded in the list however which corrective actions are taken cannot be seen in the list. Non-conformities were about PPE usage, fire risk, oil leakage, working at height and scaffolds. MMT is in opinion that the number of non-compliances is quite low considering the time interval.

Recommendation/Conclusion:

- Non-conformity and Corrective - Preventive Action Follow List should be revised to show corrective actions taken.
- 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.

⁵ 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 EPC Contractor (employer) Representative, Project Coordinator/Manager, Health and Safety Specialists of both 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.

Table 2-4 Types and Numbers of the Inspections and Audits conducted in the Current Period

Type of the Inspections and Audits	September 2022	October 2022
Weekly HSE inspections	6	5
Executive site visits	1	1
Unsafe behaviour /unsafe conditions audits conducted by HSE supervisor	6	0
External audit	0	5
Scaffold controls	6	5
Mechanical equipment control	0	5
Electrical equipment control	1	5
Fire extinguisher control	1	5
Occupational hygiene control	6	5
Others	0	0

2.2.5 Periodic Equipment and Machinery Inspections

Periodic Maintenance Track List for the equipment and machineries were provided by EPC Contractor to MMT for review. HSE department is responsible for tracking the periodic maintenance. Tracking list of periodic maintenance for the equipment was provided to MMT for review. All equipment used by subcontractors are included in the tracking list of periodic maintenance for the equipment. However, the required period for the maintenance is not given in the list. Therefore, it is not possible to track whether the maintenance times are due. Technical inspection records of diesel scissor lift and manlift were reviewed by MMT during site visit. 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. EPC Contractor stated that sometimes workers are removing the labels.

Recommendation/Conclusion:

- Equipment tags should be strictly and regularly inspected during daily walkovers conducted by HS Officers.
- Tracking list of periodic maintenance for the equipment should be revised to include the required period for the maintenance.

2.2.6 Method Statements

Construction method statements are provided in the monthly construction reports prepared by the Sponsor and EPC Contractor.

In addition, method statements of electrical cable piping, wet area insulation and plumbing prepared by EPC contractor prior to commencement of their works have been shared with MMT. It was observed that these statements do not include health, safety and environment related measures to be taken during subject works.

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. According to Permit to Work Procedure, work permits for the activities/works are listed below:

- Hot Work Permit
- Confined Space Work Permit
- Excavation Work Permit
- Working at Height Work Permit
- Electrical Work Permit
- Cold Work Permit
- Lifting Operations Work Permit
- Shaft and Elevator Pit Work Permit

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.

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 EPC Contractor and its subcontractors were shared with MMT. Risk assessments were prepared by the HS Officer contracted from safety unit (JHSU) which provide service to 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 to date. During site visit, risk assessments of the subcontractors kept in the subcontractors' files were also reviewed by MMT.

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. The plan includes emergency situations such as fire, earthquake and sabotage. The Plan is found to be compliant with the national and international standards.

According to the Regulation Regarding Emergency Situations at the Workplaces, and Regulation on Protection of Buildings from Fire, at least one fire and evacuation drill should be

conducted annually. According to the monthly HSE Performance Forms provided to the MMT; 13 drills were performed in 2022 however, there were no drills conducted in September and October 2022. There is no spill drill conducted during the construction phase of the Project to date.

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.
- It is also recommended that the environmental spill drills should be conducted.

2.2.10 Hazardous Material Storage

As part of project specific ESMS, Hazardous Materials Management Plan was developed. Safety Data Sheets (SDSs) of materials used by EPC Contractor and subcontractor and a track list for all SDSs have been provided to MMT for review. During site visit, hazardous materials storage areas were visited. 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, in the construction site, it was observed that the small amount of chemicals was kept inside water/beverage bottles without any warning or tag.

In the 1st Construction Monitoring Report, MMT suggested that eye showers and additional spill kits should be placed in hazardous material storage areas, and in this site visit, eye showers and spill kits were observed in the storage areas.

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.

2.2.11 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. However, during the site visit it was observed that the traffic management on both site is poor. Pedestrian walkovers were not clearly defined. EPC Contractor informed MMT that normally the walkovers are defined however, due to dynamic situation of the construction and the limited workspace in the Project areas, pedestrian walkover signs changing so fast. Therefore, during site visit they couldn't be seen. There were improvements in the number of speed limit signs; however, speed limit signs were not easily seen due to their small size and location in the General Hospital and PTRH construction sites. Also, there was still no flagman on site.

Recommendation/Conclusion:

- The Traffic Management Plan should be updated to include site specific traffic management activities.

- Traffic management needs to be improved in both construction sites. Pedestrian walkovers and traffic signs should be clearly visible.
- Drivers should be regularly trained regarding traffic safety.

2.2.12 Seismicity

A Seismic Isolator System Design Report was prepared for General Hospital in April 2018 which defines seismic isolator designs of the hospital building and the behaviour of the structures with the seismic isolator design under seismic loads through considering spectral ground acceleration (earthquake motion level with 10% probability of exceedance in 50 years with reoccurrence period of 475 years etc.). It is stated in the seismic isolator system design report that a separate technical specification was prepared based on seismic isolation system design information. The Project takes into account the Turkish regulatory requirements (i.e., Turkey Building Earthquake Regulation). 498 pendulum type isolators were installed at -6.10 elevation for the General Hospital Building. For non-structural elements, seismic measures have been taken with the seismic suspension method. Also, it was stated that due to category of the ground seismic isolators were not used in PTRH.

2.3 Labour Management

Project Company has Human Resources and Human Rights Policies for the construction phase of the Project. Up-to-date policies of the Project Company have been shared with MMT. It was observed that policies are in line with international standards. In addition, EPC Contractor also has Human Resources Policy, Human Rights Policy, Anti-bribery and Anti-corruption Policy, Anti-harassment, Violence and Discrimination Policy and these policies are in line with international standards.

An Employment and Procurement Management Plan was established by the Project Company for the construction phase of the Project which applies construction work activities under the control of Project Company, EPC and to all Project employees. The Plan commits to national legal requirements as well as ILO convention commitments, IFC PS2 and Equator Principles IV. The Plan also defines general perspective of roles and responsibilities for EPC Contractor and Project Company for the implementation phase.

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.

During the site visit, MMT reviewed sample personal files of subcontractor and EPC Contractor employees. It was noted that the files include various records in line with national labour legislation.

The number of female employees in September 2022 and October 2022 was 51 and 53, respectively. In September 2022, 5% of women were present in the overall workforce, but this number decreased to 4% in October 2022. The number of men working on the project is increasing more than that of women; therefore, the percentages of women have decreased. Project Company and EPC Contractor work with women employees in many suitable jobs in order to increase women employment. For example, women architects, engineers, security personnel, and cleaning personnel. The site chief of the PTRH is also a woman engineer.

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. EPC Contractor and nine subcontractor companies have more than 50 employees. According to provided information EPC Contractor is in-compliance with the national legislation in terms of employment of disabled personnel. However, during the site visit MMT informed EPC Contractor regarding numbers of disabled workers of subcontractors which

is not in line with the national regulation and more disabled workers should be employed. 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 subcontractors with 50 or more employees. EPC Constructor should monitor the number of disabled workers in subcontractors and ensure they are in line with the Labour Law.

2.3.1 Labour and Working Conditions

EPC Contractor's workers have been provided with written information regarding their terms of employment via Project Company's Personnel Regulation. Sample labour contracts were reviewed by MMT during site visit conducted in October 2022. The contract addresses working conditions in line with the national legislation.

HR Chief of EPC Contractor performs payment checks each month for subcontractor workers to cross-check working hours and realized payments. Working hours of subcontractor workers are recorded manually by the relevant subcontractor responsible and submitted to EPC Contractor's HR Chief. Since there is no automated card-system to monitor sub-contractor workers entrance/exit to the Project site; the HR chief conducts his overtime controls manually and relying on sub-contractor's information.

2.3.2 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. Records of the audits are provided to MMT for review. According to audit forms in September 2022, poor ventilation in the rooms, lack of liquid soap and odour problems were recorded; while, in October 2022, lack of lockers in the accommodation areas, drain cleaning problems were detected. 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.

Two workers' accommodation compounds have been provided in the form of prefabricated containers for both sites, also including laundry rooms, dining halls and social areas. Fire detectors, smoke detectors, and fire extinguishers are present at both of the camp areas. There is a central heating system in the accommodation areas. Rooms/dormitories were observed in good condition during the site visit. There are dedicated closets with lockers inside the rooms. The cleaning of the rooms is the responsibility of the workers while the common areas are cleaned by the cleaning personnel. The sanitary and toilet facilities are located inside the buildings. The poor conditions at the shower area in the accommodation area of the PTRH were improved and the area was renovated. MMT confirms the below actions for renovations:

- The paint reliefs of the doors were cleaned and repainted
- The moulds of the metal parts were cleaned and repainted
- The upper floor suspended ceiling was replaced
- The ground floor suspended ceiling was replaced
- Water leaks was repaired
- Fixtures was repaired and/or replaced.

In addition to workers' accommodation compounds, there is a prefabricated accommodation compound for the white-collar employees in the General Hospital Project site. Rooms are for one person and lockable. There are toilets and showers in each room. Also, a shared kitchen

and social area are provided inside the accommodation compound. In addition, 11 employees accommodate in the Yoncali Thermal Hotel since the capacity of the accommodation compound is limited and the hotel is in close proximity to the PTRH project site.

2.3.3 Worker's Grievance Mechanism

EPC Contractor's Grievance Management Procedure is in place. It was observed that there are 30 grievance boxes for the workforce at the Project site and accommodation camps; and both verbal and written grievances have been collected by the HR Chief of EPC Contractor. 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 September 2022, 24 grievances and in October 2022, 18 written grievances were received. The subjects and resolution status of the grievances are listed in Table 2-5. Grievances are mainly related with training request, cleaning and hygiene, social activities, meal types and mealtimes. Most of the grievances 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 September and October 2022, there are no open grievances out of the total of 42 received. All of the received grievances have been closed and the related personnel have been informed. The subjects and the resolution status of the grievances are listed in Table 2-5.

Table 2-5 Workers' Grievances List in Current Period

Date	Subject	Number of Grievances	Resolution status
September 2022	Food and Beverage Services (meal type, mealtime, reopening canteen, water, etc.)	11	Closed: 11 Open: 0
	Maintenance (repairing, deficiencies in accommodation areas etc.)	7	Closed: 7 Open :0
	Housekeeping (cleaning, hygiene, environmental issues etc.)	3	Closed: 3 Open:0
	Social (internet, television, social activities, training request, etc.)	2	Closed: 2 Open: 0
	Parking Lot	1	Closed: 1 Open: 0
October 2022	Food and Beverage Services (meal type, mealtime, water, etc.)	10	Closed: 10 Open: 0
	Maintenance (repairing, deficiencies in accommodation areas etc.)	6	Closed: 6 Open: 0
	Housekeeping (cleaning, hygiene etc.)	2	Closed: 2 Open: 0

HR Chief also stated during site visit 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.

2.3.4 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.

2.3.5 Gender Equality and Prevention of Gender Based Violence and Harassment (GBVH)

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 27.09.2022 and 29.10.2022, no GBVH-related complaints were received. MMT will continue to review grievance records in next monitoring periods.

There are separate toilets and changing rooms for women workers in both construction sites. Also, there are white-collar women employees who accommodate in a prefabricated co-ed accommodation compound in the General Hospital Project site which is built for EPC Contractor's white-collar employees. Rooms are for one person and lockable. There are toilets and showers in each room. In addition, 5 women employees accommodate in the Yoncali Thermal Hotel since the capacity of the accommodation compound is limited and the hotel is in close proximity to the PTRH project site.

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 EPC Contractor personnel did not obtain training on handling gender-based violence and harassment cases.) MMT conducted a focus group meeting with women employees of EPC Contractor. In the meeting conducted with one engineer and one cleaning personnel, women employees said that they do not feel gender inequality in the workplace. There is no complaint about gender inequality and any kind of abuse from white-collar or blue-collar women employees. In case of any harassment, women employees feel comfortable speaking with the Site Chief and the HR Chief.

Recommendation/Conclusion:

- 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) dated July 2019 was prepared for the construction phase of the Project. The Plan has been revised by the Project Company based on the MMT's recommendations during ESDD studies to be in line with IFC PS4.

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. EPC Contractor stated that there was no security incident occurred to date. They are in contact with their stakeholders. However, in order to eliminate any risk MMT recommends to strengthen their security management including increasing the number of security employees. Increase in the number of security personnel was suggested by MMT in the previous report, however during focus group meeting with security personnel conducted by MMT, it was understood that the security personnel numbers are sufficient considering the status of the construction and security management. It was also observed that the Project sites are completely fenced.

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. As stated in the SEP, stakeholder engagement is the responsibility of the Project Company; and EPC Contractor periodically reports to Project Company regarding the progress of their activities to be disclosed to the stakeholders. 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 and EPC Contractor informed MMT that the SEP is being updating and updated SEP will be publicly available by the end of 2022.

The stakeholder meetings are held every three months. 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 November 2022, which will be discussed in the next monitoring period. In addition, EPC Contractor performs meetings with headmen (mukhtars) of Bahcelievler, Evliyacelebi and Okmeydani Neighbourhoods in every three months. These meetings showed that stakeholder engagement activities have been on-going. The records of the meeting will be checked during next site visit.

Total 177 grievances were received from December 2020 to by the end of October 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 Stakeholder' 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 EPC Contractor. Remaining grievances were closed and information related the grievances were provided to the related persons.

Project Company and EPC Contractor contribute to community development by empowering society and promoting equality and social justice. In order to increase the wellbeing of the community, in 2020, renovation of the Atatürk Bust and bathroom ceramic in Yoncalı Police Station; in 2021, construction of the Yamantürk Non-Disabled Life and Rehabilitation Centre, procurement of concrete for Radar Mosque, exterior paint works at Yoncalı Police Station; in 2022, electrical installations at Yoncalı Police Station and paint works at the Needlecraft Course were completed by the Project Company and EPC Contractor.

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.

2.6 Environment

2.6.1 Site Observations

Observations related to environmental management during the site visit conducted on 24 November 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. MMT will regularly check the current status of environmental trainings in the next monitoring periods. Environmental Engineer informed MMT about the workplan for the environmental drills. MMT will check the environmental drill plan in the next site visit.

Recommendation/Conclusion:

- All employees need to receive environmental trainings as soon as possible.
- To implement best practices and to satisfy international health and safety requirements, the MMT recommends spill response drills should be conducted during construction phase.

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. During the ESDD studies MMT had been informed

that the well is in use for construction activities and Groundwater Use Permit was issued by 3rd Regional Directorate of State Hydraulic Works (DSI in Turkish) on 26 March 2021. However, during the site visit between 24 November 2022 it was stated that the well is not currently being used for construction activities. EPC Contractor said that the well 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. EPC Contractor provided the water use amount to MMT which is presented in Table 2-7.

Table 2-6 Water Use in 2022 including the Current Period

Date	General Hospital (m ³ /d)	PTRH (m ³ /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

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 m³; while the frequency is four times a year if the daily water consumption is between 100 and 1000 m³. Considering the water consumption data provided in Table 2-7, one water quality analysis is inadequate according to national regulation. MMT would like to review recent water analysis 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, EPC Contractor has a stand-alone Waste Management Procedure covering site-specific waste management practices. Roles and responsibilities of Project Company and EPC Contractor were added in the WMP and referred to EPC Contractor's procedure.

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). Official letter of Kütahya Provincial Directorate of Environmental, Urbanization and Climate Change (PDoEUCC) which approves the IWMP for a period covering 20 October 2021 to 31 December 2022 was obtained on 19 October 2021. This IWMP covers the amounts of wastes expected to be generated at the construction areas. The Project Company should renew and re-submit the IWMP to PDoEUCC three months before it expires. Environmental engineer of EPC Contractor informed MMT that the IWMP will be revised and resubmitted by the end of 2022 and MMT will check the submission letter in the next site visit.

The Project has insurance policies for hazardous waste compulsory financial liability for both sites which are valid until June 2023. Official waste declaration is performed annually via Ministry of Environment, Urbanization and Climate Change (MoEUCC)'s online declaration system. Declaration made for 2021 for both sites were shared with MMT for review. Domestic waste and rubbles are collected by Kutahya Municipality. Medical wastes are disposed by a licenced company namely ERA Çevre Teknolojileri A.Ş in line with a contract signed on 01 June 2019. Hazardous and non-hazardous wastes are also disposed by a licensed company namely Kısmet Hurda Ambalaj Atığı Toplama, Ayırma ve Geri Dönüşüm in line with the contract signed on 26 June 2020.

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. During the site visit in November 2022, MMT observed in waste storage area that majority of 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 improved according to previous site visit. EPC Contractor said that there is a cleaning team of 25 workers who are responsible from waste collection and separation, and they are regularly collecting the waste generated in the construction site.

Recommendation/Conclusion:

- Considering that the construction will be extended to 2023, the IWMP should be renewed and submitted to the Kütahya PDoEUCC before the expiry date (31 December 2022).
- Waste management and housekeeping inside the buildings where construction activities are ongoing needs to be regularly checked.
- Environmental and waste management trainings should be given to subcontractor workers by the Environmental Engineer of EPC Contractor.

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.

Particulate Matter (PM₁₀) is anticipated to be the major air pollutant generated due to construction phase activities. Monthly PM₁₀ monitoring studies are being conducted to compare the ambient values with the relevant requirements, i.e., status of the Project Site and its

compliance with the local, IFC's, EBRD's requirements. Six monitoring points which are presented in Figure 2-1 PM₁₀ Measurement Points in the General Hospital Figure 2-1 and Figure 2-2 were selected taking into account the sensitive receptors identified and their distance and location with respect to the emission sources. According to Air and Noise Quality Monitoring Report issued in September and October 2022, PM₁₀ values which are between 23.7 – 26.2 µg/m³ and 22.1 – 25.3 µg/m³ do not exceed the limit values defined in the Turkish legislation, the IFC limit and EU limits.



Figure 2-1 PM₁₀ Measurement Points in the General Hospital

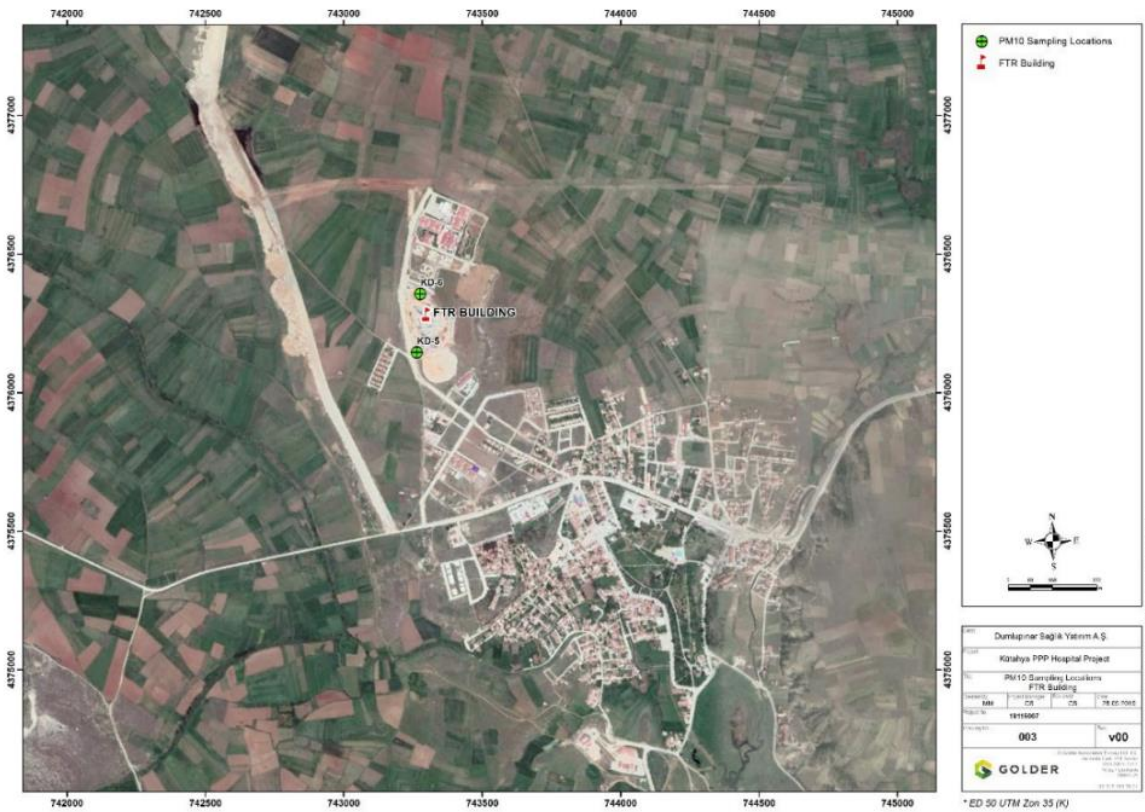


Figure 2-2 PM₁₀ Measurement Points in the PTRH

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 which are presented in Figure 2-3 and Figure 2-4. (four measurement locations located approximately construction area borders in General Hospital, whereas two locations located approximately construction area borders at PTRH) since 2019. All measurement reports were reviewed by MMT.

According to Air and Noise Quality Monitoring Report issued in September 2022, noise measurements were conducted between 14 – 15 September 2022 (between 12:00 a.m. on 14.09.2022 to 11:45 p.m. on 15.09.2022), for duration of 48 hours. The same report is issued for October 2022. According to the measurements conducted between 18 – 20 October 2022 (between 12:00 p.m. on 18.10.2022 to 11:45 a.m. on 20.10.2022), for duration of 48 hours, all average measured noise values are below the limit values defined in the Turkish legislation and the IFC limits.



Figure 2-3 Noise Measurement Points in the General Hospital



Figure 2-4 Noise Measurement Points in the PTRH

2.7 Cultural Heritage

Archaeological Chance Find Procedure was developed for the Project. During site visit MMT was informed by the Project Company and EPC Contractor that no finding has encountered to date.

2.8 Construction Phase ESAP Status Table

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

Table 2-7 Construction Phase ESAP Implementation Table

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
PS1: Assessment and Management of Environmental and Social Risks and Impacts				
ESAP 1.1	<p>ESMS</p> <p>Implementation of the following Project specific procedures/plans:</p> <ul style="list-style-type: none"> • ESMS Manual • Emergency Preparedness and Response Plan • Occupational Health and Safety Plan • Security Management Plan • Traffic Management Plan • Construction Camp Management Plan • Employment and Procurement Plan • Waste Management Plan • Wastewater Management Plan • Noise and Vibration Management Plan • Air Quality Management Plan • Hazardous Materials Management Plan • Spill Response Plan • Community Health and Safety Plan • Resource Efficiency Pollution Prevention Plan • Training Management Plan • Grievance Mechanism Procedure • Supply Chain Management Plan • Stakeholder Engagement Plan • Chance Find Procedure 	<ul style="list-style-type: none"> • Required documentation as per ESMS and specific plans (such as training records of workers, audit (i.e. audit program) and inspection reports) • An established organizational structure and defined roles for ESMS 	During construction phase	<ul style="list-style-type: none"> • ESMS plans, procedures and policies have been generated and previously reviewed by MMT. Documents were finalized by 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. • There are 10 HSE personnel which consists of eight 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. • There is a medical team of one doctor and one health personnel. • 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. <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	<p>Permitting</p> <ul style="list-style-type: none"> Obtain all necessary permits/approvals as needed during the construction phase. 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&S requirement to be adhere to 	<ul style="list-style-type: none"> Records of permits, official letters, licenses, approvals, documents and similar Permitting matrix 	During construction phase	<ul style="list-style-type: none"> All necessary permits are secured. A permit register including permits, licences, no objection certificates, or similar documentation has not been established yet. <p>For more detailed information please refer to Section 2.1.6.</p>
ESAP 1.3	<p>Construction methods</p> <ul style="list-style-type: none"> Develop documentation for construction methods for each construction activity Develop method statements in line with good international industry practices to manage and monitor construction phase environmental, health and safety and social issues 	<ul style="list-style-type: none"> Construction methods Method statements 	Prior to each construction activity throughout the construction	<ul style="list-style-type: none"> Construction method statements are provided to MMT for review. However, method statements do not include health, safety and environment related measures to be taken. <p>For more detailed information please refer to Section 2.2.6.</p>
PS 2: Labour and Working Conditions				
ESAP 2.1	<p>Human Resources</p> <ul style="list-style-type: none"> Implement Employment and Procurement Plan and HR Policy Issue contracts to workers upon recruitment which include contractual requirements requiring compliance with the Project ESMS, HR Policy, ESAP and other project specific plans 	<ul style="list-style-type: none"> Worker contracts Personnel files Database of employees Short quarterly reports available for review by external monitors 	During construction phase	<ul style="list-style-type: none"> The Project Company and EPC Contractor have established their respective Human Resources Policy. An Employment and Procurement Management Plan was established by the Project Company. EPC Contractor has also established a Personnel Regulation.

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"> Keep files of all workers that include their work contracts, training records, medical surveillance records, next of kin contact details and similar Develop a database of employees and subcontractor employees that includes information on the age, identity card number, gender, ethnicity, nationality, and hometown. Payroll checks by EPC contractor against issues such as sub-contractor wage rates, payment of benefits and timely payments. 			<ul style="list-style-type: none"> EPC Contractor has Human Rights Policy, Anti-bribery and Anti-corruption Policy, Anti-harassment, Violence and Discrimination Policy dated February 2020. Labour contracts address working conditions in line with the national legislation. Personnel files include work contracts, training records, medical surveillance records, next of kin contact details and similar. HR Chief of EPC Contractor performs payment checks each month for subcontractor workers to cross-check working hours and realized payments. <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"> Implementation of Occupational Health and Safety Plan Provide necessary trainings to workers Record all accidents and incidents Comply with health and safety legislation applicable to the construction phase of the Project. 	<ul style="list-style-type: none"> Occupational Health and Safety Plan Records of audit reports, regular inspections, trainings for workers and similar Accident and incident logs Non-compliance log to record corrective and preventative actions 	During construction phase	<ul style="list-style-type: none"> Occupational Health and Safety Plan is in place. However, implementation of the plan needs to be improved. 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. 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. All accidents, incident and near misses are recorded.

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"> ● Publicize the Grievance Mechanism to workers ● Implementation of the Grievance Mechanism ● Respond to grievances in a timely manner ● Implement necessary corrective and preventative actions as required 	<ul style="list-style-type: none"> ● Grievance log including records of grievances, response to grievances and corrective actions 	<p>During construction phase</p>	<ul style="list-style-type: none"> ● 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. ● Non-conformity and Corrective - Preventive Action Follow List has been shared with the MMT for review. In September 2022, 7 non-conformities; in October 2022, 19 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. <p>For more detailed information please refer to Section 2.1.5, and Section 2.2.</p> <ul style="list-style-type: none"> ● Grievance forms are publicized to workers. However, no training record regarding grievance mechanism is provided. ● 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. ● Verbal grievances should be recorded in Workers' Grievance Track List. ● For more detailed information please refer to Section 2.3.3.

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"> Undertake internal and external (by a third party) regular audits at worker's accommodation facilities Implement Construction Camp Management Plan Maintain the worker accommodation compounds in accordance with the IFC Workers' Accommodation: Processes and Standards 	<ul style="list-style-type: none"> Audit reports/ Inspection records 	During construction phase	<ul style="list-style-type: none"> Regular internal audits at workers accommodation facilities are conducted by EPC Contractor. Records of the audits are provided to MMT for review. For third party audit please refer to ESAP item number 2.7. <p>For more detailed information please refer to Section 2.3.2.</p>
ESAP 2.5	<p>Subcontractors</p> <ul style="list-style-type: none"> Implementation of Supply Chain Management Plan (Subcontractor Management and Monitoring Plan) that includes checking of subcontractors to verify they are reputable and legitimate enterprises Prepare a subcontractor list Require subcontractors to manage their workers in line with Project's HR policy and adopt grievance mechanism through contractual clauses Require subcontractors to adhere to the Project's EHS policies and plans through contractual clauses. Require subcontractors to report accidents, incidents, and safety non-compliances through contract clauses. 	<ul style="list-style-type: none"> Contracts with subcontractors Subcontractor list Records of subcontractor's accidents, incidents, and non-compliances Subcontractor personnel files Subcontractor training records for EHS Evidence of how workers are informed about the grievance mechanism Grievance log 	During construction phase	<ul style="list-style-type: none"> A Supply Chain Management Plan specific for the construction phase has been produced including supplier selection criteria. In addition, EPC Contractor established a Subcontractor Management Procedure, which includes assessment of third-party performance; and commitments of subcontractors to comply with EPC Contractor's environmental, health and safety practices. As of 30 September 2022, a total of 28 subcontractor companies were actively working on site, and as of 31 October 2022, 34 subcontractor companies were active. Copies of the subcontractor personnel files were kept by HR team and reviewed by MMT. Records of subcontractors' trainings were provided to MMT. Grievance logs includes the subcontractors' employee

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
				<ul style="list-style-type: none"> No evidence of how workers are informed about grievance mechanism was provided to MMT. <p>For more detailed information please refer to Section 2.1.4.</p>
ESAP 2.6	Supply of materials <ul style="list-style-type: none"> Select suppliers as close as possible to the Project site Prepare a supplier list Supply materials from licensed/certificated/permited suppliers/facilities 	<ul style="list-style-type: none"> Records of supply sources Supplier List Licenses/certificates/permits of the suppliers 	During construction phase	Supplier list and licenses of suppliers were not provided to MMT. It will be checked during next monitoring period. 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"> Carry out annual third-party labour audit for assessment of compliance of the site 	<ul style="list-style-type: none"> Annual third-party audit report 	During construction phase	<ul style="list-style-type: none"> 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. MMT will monitor the situation regarding third-party audit in the next monitoring period.
PS3: Resource Efficiency and Pollution Prevention				
ESAP 3.1	Soil, Surface Water and Groundwater <ul style="list-style-type: none"> Adopt good construction site practices for the protection of soil, surface water and groundwater (e.g., storage areas, spillage control, spill kits etc.) Keep spill response kits at designated areas with specific instructions for their use and train site staff on the use of spill kits 	<ul style="list-style-type: none"> Records of periodical site inspections Presence of spill response kits in construction site Records of monitoring of the implementation of the relevant plans Audit and control results, spillage incident records, measurement results, contaminated soil disposal records, training records and similar 	During construction phase	<ul style="list-style-type: none"> Utility water is supplied from municipal water system for both construction sites. 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. 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.

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
				<ul style="list-style-type: none"> MMT observed that the number of spill kits on site were increased and eye showers were placed Environmental Engineer of EPC Contractor informed that the spill drills will be conducted and regarding trainings will be given. MMT will monitor the process in the next monitoring period. No environmental accident was recorded to date. <p>For more detailed information please refer to Section 2.2.10., 2.6.4. and 2.6.5.</p>
ESAP 3.2	Hazardous materials <ul style="list-style-type: none"> Prepare an inventory of hazardous materials Obtain Safety Data Sheets (SDSs) and provide in relevant locations in both English and Turkish Make Personal Protective Equipment (PPE) available for relevant personnel Train relevant personnel Take required onsite measures Keep hazardous materials at designated areas Locate suitable fire-fighting equipment close to hazardous material storage/usage areas 	<ul style="list-style-type: none"> Records of audits Hazardous material inventory Site inspections Incident records Training records 	During construction phase	<ul style="list-style-type: none"> SDSs are provided in the hazardous material storage areas. However, in the construction areas where the chemicals are used there were no SDSs. SDSs and hazardous material inventory were provided to MMT. Toolbox trainings related hazardous material management and PPE usage are provided to employees. PPEs are provided to all employees. Internal audit and site inspection records were shared with MMT. Fire-fighting equipment are in located close to hazardous material storage/usage areas. <p>For more detailed information please refer to Section 2.2.10.</p>
ESAP 3.3	Waste management <ul style="list-style-type: none"> Implement following plans prepared in the scope of Project's ESMS: <ul style="list-style-type: none"> Waste Management Plan 	<ul style="list-style-type: none"> Records of periodic site inspections conducted to check all wastes are separately collected, segregated, labelled, and stored in designated areas 	During construction phase	<ul style="list-style-type: none"> The Project Company has established a Waste Management Plan (WMP), embedded within the ESMS for the construction phase and EPC Contractor has a Waste Management Procedure. Industrial Waste Management Plan

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	<ul style="list-style-type: none"> – Emergency Preparedness and Response Plan – Hazardous Material Management Plan <ul style="list-style-type: none"> • Collect, segregate label and store, transport, recycle wastes in line with the Waste Management Plan • Ensure hazardous wastes are properly stored at the designated waste storage area • Dispose wastes at licensed facilities according to their category in accordance with regulatory requirements • Keep records of waste generation, storage, and disposal • Use licensed haulers for the transport of wastes and keep waste transfer certificates • Ensure disposal of wastes at licensed facilities • Train site workers for waste management practices <p>Ensure all required permits, approvals and declarations related to waste management plan are taken</p>	<ul style="list-style-type: none"> • Disposal records of all types of wastes together with disposal records of excavated soil • Waste disposal contracts • Licenses of haulers' and disposal facilities' • Training record • Records of permits, approvals and declarations (ie. annual waste declaration made to the Ministry of Environment, Urbanization and Climate Change, insurance policies for hazardous waste compulsory financial liability) 		<p>(IWMP) was prepared for the General Hospital and PTRH sites, in line with the national legislation.</p> <ul style="list-style-type: none"> • Wastes are collected, segregated, labelled, stored and transported in line with Waste Management Plan. • Wastes are disposed at licensed facilities according to their category in accordance with regulatory requirements • Environmental training including waste management subjects are started to be provided to workers. • For more detailed information please refer to Section 2.6.6.
ESAP 3.4	<p>Wastewater</p> <ul style="list-style-type: none"> • Implement Wastewater Management Plan prepared in the scope of Project's ESMS • Discharge domestic wastewater to the municipality infrastructure in accordance with the permits and protocols for connection to the municipal sewer system 	<ul style="list-style-type: none"> • Municipal sewer system connection approval obtained from the relevant authority 	During construction phase	<ul style="list-style-type: none"> • Wastewater Management Plan prepared in the scope of Project's ESMS is being implemented. • 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 İzni) was obtained for both sites on 4 September 2018 from

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	Ensure no industrial wastewater is discharged in the system			Kütahya Directorate of Water and Sewage Works granting that the discharge of domestic wastewater from construction sites to the city's sewer network.
ESAP 3.5	<p>Air Emissions (dust, exhaust emissions)</p> <ul style="list-style-type: none"> Undertake air quality measurements for PM₁₀ on a monthly basis at monitoring stations located at the Project's boundary <p>Ensure vehicle inspections are completed regularly for all equipment</p>	<ul style="list-style-type: none"> Records of site inspections Records of air quality monitoring undertaken by a third-party Equipment and vehicle maintenance records Training records of workers and drivers 	During construction phase	<ul style="list-style-type: none"> PM₁₀ measurements on a monthly basis continue and the measurement results for September 2022 and October 2022 are in line with the national and international limits. Equipment and vehicle maintenance records were reviewed during site visit. 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.
ESAP 3.6	<p>Noise</p> <ul style="list-style-type: none"> Undertake monthly noise monitoring on a monthly basis at Project boundary. <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"> Records of site inspections Records of noise monitoring undertaken by a third-party Training records of workers 	During construction phase	<ul style="list-style-type: none"> Monthly noise measurements are being conducted and the measurement results for September 2022 and October 2022 are in line with the national and international limits. 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.

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
PS 4: Community Health, Safety and Security				
ESAP 4.1	<p>Life and fire safety</p> <ul style="list-style-type: none"> • Hire a qualified third-party life and fire safety consultant to review life and fire safety • Design the health campus in full compliance with the "Regulation on the Protection of Buildings from Fire" Official Gazette 26735 Date 19.12.2007 • 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 • 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 • Provide design certification by the above professional to comply with life and fire safety requirements <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"> • Confirmation for fire safety of offices and accommodation area • Third party audit report for Life and Fire Safety Plan • Test and commissioning results • Post construction life and fire safety certification (ie. Fire Safety Certificate and L&FS Certificate) 	<p>Towards the end of construction phase At the time of commissioning</p>	<ul style="list-style-type: none"> • In the Current Period, construction activities during nighttime were not undertaken. EPC Contractor stated that in the next periods night-time works might be needed and if so, consent from Kutahya PDoEUCC will be obtained • 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. • Although fire safety related subjects are inspected under regular internal checks, accommodation and office areas should be separately inspected regarding fire safety.

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
ESAP 4.2	<p>Community Health and Safety</p> <ul style="list-style-type: none"> Implement Emergency Preparedness and Response Plan (EPRP) and disclose the plan to communities through Project website Update local authorities and communities if there are changes in the EPRP Undertake regular drills/exercises of emergency measures Train workers 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) Provide road maintenance in case of any physical damage occurs due to the Project activities <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"> Records of audits and regular inspections Sufficient number of traffic signs Training records Evidence of disclosure and updates Records of drills Records of meeting with the communities Records of maintenance activities Requirements for subcontractors 	During construction phase	<ul style="list-style-type: none"> 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 recommendations during ESDD studies to be in line with IFC PS4. 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. 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. Community meetings attendance list and meeting records are kept and shared with MMT for review. AMR has not been prepared yet. MMT informed Lenders and Project Company to decide the period and the format of the Annual E&S Reporting. For more detailed information please refer to Section 2.2.9 and Section 2.5.
ESAP 4.3	<p>Security</p> <ul style="list-style-type: none"> Hire adequate, trained security staff (unarmed) who have not been involved in past security related incidents/abuses 	<ul style="list-style-type: none"> Records of audits and inspections Records of credentials of security staff Training records of security staff 	During construction phase	<ul style="list-style-type: none"> 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. EPC Contractor stated

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	Ensure specific training on Human Rights Protection should be provided to security staff			<p>that there was no security incident occurred to date. They are in contact with their stakeholders. The number of security personnel was found sufficient considering the status of the construction and security management.</p> <ul style="list-style-type: none"> Records of audits and inspections regarding security were not provided to MMT. Credentials of the security staff were reviewed during site visit. No security specific training records were provided.
PS 8: Cultural Heritage				
ESAP 8.1	<p>Chance Finds</p> <ul style="list-style-type: none"> Implement Chance Find Procedure <p>Contact relevant authorities (i.e., Museum Directorate) in case of chance finds</p>	<ul style="list-style-type: none"> Records of chance finds documentation Copies of correspondence with authorities 	During construction phase	<ul style="list-style-type: none"> Chance Find Procedure is generated and in place. It was stated by the Project Company and EPC Contractor that no finding has encountered to date.
PS 10: Information Disclosure and Stakeholder Engagement				
ESAP 10.1	<p>Information Disclosure/ Stakeholder Engagement/ Community Grievances</p> <ul style="list-style-type: none"> SEP to be updated if there are significant changes in the Project Publicize SEP and Grievance Mechanism including information on contact details of responsible staff to handle grievances Implement Grievance Mechanism Resolve grievances in a timely manner Undertake necessary preventative and corrective actions if needed <p>Document records of consultation and information disclosure Annual reporting to</p>	<ul style="list-style-type: none"> Updated SEP Grievance log including records of grievances, response to grievances and corrective actions Grievance Consultation activity log Minutes of meetings Annual reports (AMR) 	During construction phase	<ul style="list-style-type: none"> 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. 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 that the SEP is being

KPI Reference	Description of E&S Action	Completion Indicator(s)	Timeframe	Implementation Status
	Lenders on the implementation of the ESAP and any new impacts/risks identified to affected communities in the scope of Environmental and Social Performance Annual Monitoring Report (AMR)			updating and updated SEP will be publicly available by the end of 2022. <ul style="list-style-type: none"> • 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. • Community meetings attendance list and meeting records are kept and shared with MMT for review. • AMR has not been prepared yet. MMT informed Lenders and Project Company to decide the period and the format of the Annual E&S Reporting. • For more detailed information please refer to Section 2.5.

A. Site Photos

Photo 1 General view from General Hospital Building Construction



Source: Mott MacDonald Site Visit

Photo 2 General view from PTRH Building Construction



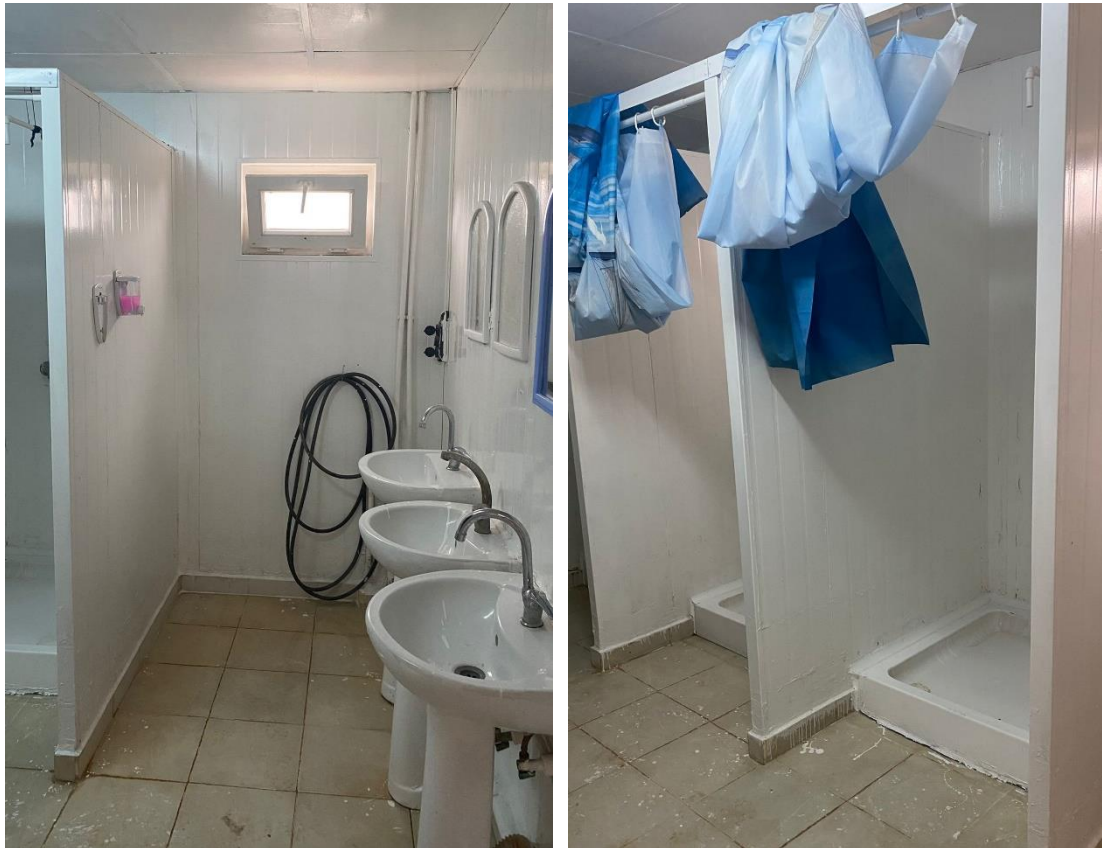
Source: Mott MacDonald Site Visit

Photo 3 Non hazardous waste storage area



Source: Mott MacDonald Site Visit

Photo 4 Improvements at the shower area in the accommodation area of the PTRH



Source: Mott MacDonald Site Visit

Photo 5 Eye shower in the chemical storage area



Source: Mott MacDonald Site Visit



mottmac.com

mottmac.com