SMART SOLAR TECHNOLOGIES

Aliağa Solar Cell & Solar Module Integrated Production Factory

NON-TECHNICAL SUMMARY (NTS)

JANUARY 2024 Ankara



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ABBREVIATIONS

AIIB	Asian Infrastructure Investment Bank
ALOSBİ	Aliağa Organised Industrial Zone
CCRA	Climate Change Risk Assessment Report
EIA	Environmental Impact Assessment
ESAP	Environmental and Social Action Plan
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
GRM	Grievance Redress Mechanism
NTS	Non Technical Summary
OHS	Occupational Health and Safety
PPM	Project-Affected People's Mechanism

SEP Stakeholder Engagement Plan



1 INTRODUCTION

This document is Non-Technical Summary Report for the 'Aliağa Solar Cell & Solar Panel Integrated Production Factory' (hereinafter referred to as "the Projects") and has been prepared by 2U1K Engineering and Consultancy Inc. on behalf of "Smart Solar Technologies" (herein after 'the Project Company- Smart Solar Technologies).

This NTS serves as a brief and accessible document summarizing the key aspects of the Aliağa Solar Cell & Solar Panel Integrated Production Factory project. It is designed to inform stakeholders, including local communities, authorities, and the general public, about the project's objectives, scope, and its adherence to environmental and social standards.

Asian Infrastructure Investment Bank (AIIB) plans to finance the Aliağa Solar Cell & Solar Panel Integrated Production Factory project. The Project involves the processing of intermediate products through glass or chemical production in the factory, as well as the coating of metal or plastic surfaces with metal and/or surface cleaning using electrolytic or chemical methods. The project falls outside the scope of the Environmental Impact Assessment (EIA) regulation published in the Official Gazette dated July 29, 2022, and numbered 31907, as it is not included in the Annex-1 and Annex-2 lists.

Smart Holding A.Ş. It is the owner of Smart Solar Technologies. Founded in Istanbul in 2014, Smart Solar Technologies has 2 production factories in Türkiye Gebze and Dilovası. Smart Solar Technologies is in the process of establishing an integrated production factory for Solar Cells and Solar Panels within the Aliağa Organized Industrial Zone. The Project Company has applied to AIIB seeking for finance and therefore the Project is committed to operating in accordance with national legislation, relevant provisions of the AIIB Environmental and Social Policy and international good industry practice such as the World Bank Group Environment, Health and Safety Guidelines.

During this process, it assesses public participation in relation to environmental, social, health, and safety aspects, taking into account the available information and national requirements, as well as the AIIB Environmental and Social Framework and the World Bank Group Environment, Health, and Safety Guidelines. Furthermore, it evaluates the degree of risk posed by each identified safety vulnerability, providing an opinion on whether and how the issue should be considered for further assessment, prevention, minimization, and mitigation.

The project will undergo monitoring on a quarterly basis during construction periods and annually during operational periods.

In addition to this report, a Stakeholder Engagement Plan (SEP), Environmental and Social Management Plan (ESMP), Environmental and Social Action Plan (ESAP) and Climate Change Risk Assessment Report (CCRA) have been prepared based on the latest information on the project during the construction and operation phases.



2 **PROJECT DESCRIPTION**

The project involves the establishment and operation of an integrated manufacturing facility for Solar Cells and Solar Panels within the Aliağa Organized Industrial Zone (ALOSBI) in Çoraklar District, Aliağa district, Izmir province. Spanning an area of 49,888 square meters, with an enclosed space of 10,834 square meters, the production factory, situated in ALOSBI, is owned by Smart Holding and leased to Smart Solar Technology. While the primary focus is on solar panel production within this area, concurrent construction is underway for the cell production section in an adjoining building. Test product preparation commenced in March 2023, and upon completion of the adjacent construction, module production capacity is set to increase to around 2.3 GW/year. Following the completion of the cell production section, additional infrastructure, including a separate water tank line, fire line, and warehouses outside the production area and one additional hermetic transformer will be established.

2.1 **Project Location**

The project is located in the Aliağa Organized Industrial Zone (ALOSBİ) in the Çoraklar Neighborhoods of Aliağa District, Izmir Province (shown in Figure 2-1).

ALOSBİ covers various sectors, including Chemical, Metal, Casting, Rolling, and Automotive. Additionally, there are Vocational High Schools and Vocational Schools within the zone to meet the demand for skilled personnel in these sectors. Within ALOSBİ, there are essential facilities like a Joint Health and Safety Unit, Ambulance services, Fire Brigade, 24/7 Security, and an Industrial and Advanced Treatment Facility.

The project area is owned by Smart Holding and leased to Smart Solar Technology. As a result, there's no need for land acquisition, and the site doesn't have any informal users.





Figure 2-1. Project Location



3 ENVIRONMENTAL AND SOCIAL ASSESSMENT

The Environmental and Social Due Diligence (ESDD) study was conducted by 2U1K Engineering and Consultancy Inc. The purpose is to identify and assess the current or potential significant environmental and social impacts of the project and, simultaneously, to propose management/mitigation measures for the project.

The evaluation of the project follows Turkish laws, regulations, and policies, as well as the AIIB Environmental and Social Framework (2022) and the World Bank Group Environmental, Health, and Safety Guidelines. This framework helps transparently assess environmental and social risks, allowing for the implementation of an action plan to reduce these risks. Based on the criteria of the AIIB Environmental and Social Framework (2022), the project is categorized as Category B.

The environmental and social assessment identified potential adverse impacts associated with current and future project activities. To address these issues, Smart Solar Technologies will take specific actions to prevent, manage, or mitigate these negative effects. The document also outlines necessary measures to minimize significant environmental and social impacts.



4 ENVIRONMENTAL AND SOCIAL ACTION PLAN (ESAP)

The ESDD study offers some improvement suggestions for existing businesses as well as to avoid, minimize and mitigate these negative effects.

As part of the environmental and social assessment, the environmental and social impacts and risks related to both existing and new investment projects were identified. Field visits to the facility were conducted within the scope of the environmental and social assessment. Meetings were held with Smart Solar Technologies staff, the company's existing Environmental and Social Management System (ESMS) was reviewed, and current activities were conducted in accordance with national legal requirements and international standards. A comprehensive Environmental and Social Due Diligence (ESDD) Report and an Environmental and Social Action Plan were prepared as part of the ESDD.

The ESDD study provides recommendations not only for preventing, minimizing, and mitigating these negative impacts but also suggests improvements for existing operations. Therefore, in light of these considerations, the planned project will implement necessary impact reduction measures to prevent and minimize potential adverse effects.

The potential impacts and corresponding mitigating measures for effects of moderate and high significance are listed in the table below. The Impact/Risk Reduction Plan for the Project Construction and Operation Stages is detailed in the ESMP.



4.1 Impact/Risk Mitigation Plan for the Project Construction Phase

No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
1	Occupational Health and Safety (OHS)	Inadequate occupational health and safety conditions	Medium	 OHS plan for the construction phase of the Project will be established and implemented. Key personnel including an environmental and social specialist and a full-time OHS specialist will be assigned for the effective implementation of the ESMP. The Project Company will ensure that the following measures are taken by the contractor and impose the necessary actions/sanctions on site in case of failure to take such measures. 	Project Company Contractor
				 The Project Company will ensure all employees and contractors to adhere to local and international health and safety legislation and guidelines. 	
				 Workers will be provided with all the necessary personal protective equipment (PPE) (safety helmets, safety harnesses, protective coveralls, goggles, gloves, protective shoes, etc.). 	
				 Technical and OHS training, including the code of conduct indicating the possible risks regarding the work site and works to be carried will be given to workers by the contractor. 	
				 Training will also be given on risks that may arise due to changes in workplace or job, change of work equipment, application of new technology. 	
				 All employees will be informed about working conditions, job definitions, responsibilities, relations with the local community and potential work risks. 	
				 An Emergency Response Plan will be established and implemented. Emergency teams will be formed, and drills and training programs will be carried out in line with emergency scenarios. All employees will be trained for the implementation of the Emergency Response Plan. 	
				 Warning signs for health and safety hazards will be provided within the construction site 	
				 A Risk Assessment will be conducted for all works to be performed before the commencement of construction works. 	
4	Waste	Waste	Medium	 During the construction period, any waste will be collected separately at source, and stored in the temporary waste storage area. 	Project Company Contractor



No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility	
				 Construction waste will be regularly collected by licensed collectors in the excavation waste storage area allowed by the Municipality. 		
				 Records of waste disposal will be kept regularly. To keep these records, a Waste Registry Information Form will be prepared, which will contain information on the waste code, amount, and transfer and disposal method as presented in the Waste Management Regulation - Annex-4 		
				 Wastes may be reused or recycled where applicable. 		
9	Labor and Working Conditions	Improper Working Conditions, Child labor, forced	Low	 A Worker Grievance Redress Mechanism has been established for workers and is managed by the Human Resources unit. Effective implementation will be ensured throughout the life of the project. 	Project Company Contractor	
		labor and unregistered employment		Through training to be given to all employees (including subcontractor personnel), workers will be informed about the Project's Grievance Redress Mechanism (described in detail in the Project's SEP document) and the steps to be followed. Access to the Grievance Redress Mechanism will be easy and effective.		
				 Announcements regarding the Grievance Redress mechanism have been made in places used by employees, such as cafeterias, canteens and service areas, and will continue to be announced throughout the life of the Project. 		
		 and stringent measures against gender-based violence, harassment and al be shared with employees as an annex to the contract. All employees will be trained on discrimination and codes of conduct. The t 	 The existing code of conduct document will be updated to include detailed information and stringent measures against gender-based violence, harassment and abuse, and will be shared with employees as an annex to the contract. 			
						 All employees will be trained on discrimination and codes of conduct. The training to be given to employees will be descriptive about the concepts of sexual harassment and abuse, gender-based violence, abuse and harassment intervention.
				 Training will be provided to employees before their employment and will be repeated at regular intervals. After the effectiveness of the training is assessed by the Project Human Resources personnel, the training program may be modified, instructors may be changed, or the training may be repeated if necessary. 		
				 Female employees will be encouraged to become representatives, and they will receive the necessary training related to representation and participation in administrative processes. After the effectiveness of the training is evaluated by the Project Human 		



No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
			Mitigation	 Resources personnel, the training program can be changed, the trainer can be changed, or the training can be repeated if necessary. The HR policy will be updated and the following items will be included: There should be no discrimination of language, race, gender, political thought, philosophical belief and religion in business relations; Ensuring workers have access to the right to collective bargaining (Trade Unions and Collective Labor Agreement Law No. 6356 and Labor Law No. 4857) and, Ensuring access to an effectively functional worker grievance redressal mechanism. Minimum legal labor standards will be met (child/forced labor, anti-discrimination, working hours, minimum wages) as per International Labor Organization (ILO) regulations. Workers will be allowed to have access to primary healthcare on site, enabling the provision of prescriptions. Accommodation containers will meet worker accommodation standards prepared by the International Finance Corporation (IFC) and the European Bank for Reconstruction and Development (EBRD) and approved by the World Bank. The Project Company will engage in discussions with the subcontractor company and ensure the implementation 	
				of these standards. Special training, such as organizational and waste management training, will be given to employees in order to ensure that standards are maintained, and corrective actions taken are maintained. In addition, project implementation unit managers will be responsible for ensuring and implementing international standards in camp management.	
10	Community Health and Safety	Community health and safety risks	High	 A Traffic Management Plan will be developed, taking into consideration the operations and construction activities. Security officers will be given training on appropriate communication with communities. Care will be taken to ensure that warning signs are visible at night and in bad weather conditions. 	Project Company Contractor



No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
				 The adequate number of appropriate firefighting equipment will be kept available at construction sites at all times. An emergency response plan will be prepared and will be implemented in order to be able to take and manage measures to protect public health and safety. Project employees, local people and response teams will be informed about this plan. Local people will be informed about possible hazardous material and precautions to be taken with brochures that will be placed on signs and notice boards to be hung in various areas in the neighborhood. Detailed information on the use of the Grievance Redress Mechanism and contact information on the grievance redress mechanism officer will be made available to the public.(at the construction site and the also via the project website) Damages that may occur on the road surfaces due to traffic caused by heavy construction machinery during construction works on existing roads will be repaired by the contractor. In case of any damage to infrastructure elements on private lands due to construction activities, mitigation measures will be taken by the contractor 	
12	Stakeholder Engagement and Worker and Public Grievance Redress Mechanism	Communication issues with the stakeholders & Grievance Issues	Low	 Regular consultations will be carried out with the authorities and communities regarding the project management. A stakeholder engagement plan (SEP) has been prepared for the project and will be implemented throughout the Project. A Grievance Redress Mechanism has been established and it will be efficiently. 	Project Company Contractor
14	Climate Change	Adaptation	Low	 Reinforce the factory's physical infrastructure to withstand extreme weather events, including the installation of flood barriers, elevation of critical equipment, and designing structures that can resist heavy rainfall. Collaborate with ALOSBI (Aliağa Organized Industrial Zone) for flood risk management, and independently ensure the resilience of structures and products against flooding. Diversify suppliers and establish backup routes to ensure a steady flow of raw materials, with contingency plans for supply chain disruptions caused by extreme weather. 	Project Company Contractor



No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
				 Utilize a vast network of product suppliers and delivery alternatives, including the possibility of using cargo aircraft in case of disruptions to shipping routes due to extreme weather events. 	
				 Integrate diverse energy sources to mitigate the impact of energy shortages resulting from changing climate conditions, and consider installing energy storage systems for a more reliable energy supply. 	
				 Implement emergency response plans that consider various climate-related scenarios, ensuring minimal disruption to production and a swift recovery post-event. This includes establishing clear safety protocols and regularly training employees on emergency response plans during extreme weather events. 	
				 Develop and practice evacuation plans to ensure the safety and well-being of the workforce. 	
				 Engage in collaboration with governmental bodies and industry associations to align with national or sectoral adaptation and climate resilience policies. 	



4.2 Impact/Risk Mitigation Plan for the Project Operation Phase

No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
1	Occupation al Health and Safety	Inadequate occupational health and safety conditions	Medium	 Before the start of operations, all workers will be informed about job descriptions, responsibilities, relations with the local community, and potential risks to threaten occupational health and safety. 	Project Company
	(OHS)			 Workers will be provided with training in proper induction, health and safety along with information on these aspects. 	
				 All equipment used during the operational phase will be kept in good working condition. 	
				 Workers will have a good grasp of emergency plans, and grievances will be reported to competent teams and resolved if immediate action is required. 	
				 In the event of an accident that may lead to injury during the operational phase, first aid equipment will be kept available at the rehabilitation center, considering that first aid may be required before the injured is referred to the nearest healthcare organization. 	
				 The contractor formally agrees that all activities will be performed in a safe and disciplined way and designed to minimize impacts on the residents in the immediate vicinity and the environment. 	
				 It is necessary to use any equipment that meet international standards regarding performance and safety 	
				 Develop and implement an OHS Plan specific to the work to be carried out during the period of operation. 	
2	Waste	Waste	Medium	 Hazardous waste, waste oil, used accumulators and batteries, electrical and electronic waste, recyclable waste, domestic waste, medical waste, and other similar materials will be classified, stored separately at source, and disposed of in compliance with relevant regulations and the WBG EHS Guidelines. The temporary waste storage areas will adhere to national and international 	Project Company
				standards, including the following:	



No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
				 The storage areas will have covered roofs and sides, and proper drainage to prevent contact between surface water or rainfall and the waste. 	
				 Access to the storage areas will be controlled through gates. 	
				 Cautionary signage and boards displaying the name and contact number of authorized personnel will be placed. 	
				 Separate storage areas or compartments will be designated for different types of waste. 	
				 Secondary containment measures in accordance with relevant legislation and standards will be implemented for related wastes. 	
				 Absorbents, spill kits, firefighting equipment, etc., will be readily available nearby to facilitate immediate response in case of emergencies such as spills or fires. 	
				 Container types, labeling, classification, etc., within the storage areas will comply with sub-project standards. 	
				 Hazardous and non-hazardous wastes will be segregated at the source. 	
				 Recyclable and non-recyclable solid waste will be separated and stored separately until collected by the municipality or licensed firms. 	
				 Ensure that transportation, recovery, and disposal firms for waste management are licensed. 	
				 Training to personnel on waste reduction, general waste management, and housekeeping will be provided for personnel. 	
				 Conduct drills for personnel to prepare them for emergency situations. 	
				 Prohibit disposal or burial of waste on-site under any circumstances. 	
				 Develop and implement a Waste Management Plan in accordance with national regulations and the WBG EHS Guidelines. 	
9	Labor and Working Conditions	Improper Working Conditions, Child labor, forced labor	Low	 A Worker Grievance Redress Mechanism has been established for workers and is managed by the Human Resources unit. Effective implementation will be ensured throughout the life of the project. 	Project Company



No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
		and unregistered employment		 Through training to be given to all employees (including subcontractor personnel), workers will be informed about the Project's Grievance Redress Mechanism (described in detail in the Project's SEP document) and the steps to be followed. Access to the Grievance Redress Mechanism will be easy and effective. 	
				 Announcements regarding the Grievance Redress mechanism have been made in places used by employees, such as cafeterias, canteens and service areas, and will continue to be announced throughout the life of the Project. 	
				 The existing code of conduct document will be updated to include detailed information and stringent measures against gender-based violence, harassment and abuse, and will be shared with employees as an annex to the contract. 	
				 All employees will be trained on discrimination and codes of conduct. The training to be given to employees will be descriptive about the concepts of sexual harassment and abuse, gender-based violence, abuse and harassment intervention. 	
				 Training will be provided to employees before their employment and will be repeated at regular intervals. After the effectiveness of the training is assessed by the Project Human Resources personnel, the training program may be modified, instructors may be changed, or the training may be repeated if necessary. 	
				 Female employees will be encouraged to become representatives, and they will receive the necessary training related to representation and participation in administrative processes. After the effectiveness of the training is evaluated by the Project Human Resources personnel, the training program can be changed, the trainer can be changed, or the training can be repeated if necessary. 	
				 The HR policy will review and update employee contracts and include the following items in the contract: 	
				 There should be no discrimination of language, race, gender, political thought, philosophical belief and religion in business relations; 	
				 Ensuring workers have access to the right to collective bargaining (Trade Unions and Collective Labor Agreement Law No. 6356 and Labor Law No. 4857) and, 	



No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
				 Ensuring access to an effectively functional worker grievance redressal mechanism. Minimum legal labor standards will be met (child/forced labor, anti-discrimination, working hours, minimum wages) as per International Labor Organization (ILO) regulations. Workers will be allowed to have access to primary healthcare on site, enabling the provision of prescriptions. Accommodation containers will meet worker accommodation standards prepared by the International Finance Corporation (IFC) and the European Bank for Reconstruction and Development (EBRD) and approved by the World Bank. The Project Company will engage in discussions with the subcontractor company and ensure the implementation of these standards. Special training, such as organizational and waste management training, will be given to employees in order to ensure that standards are maintained, and corrective actions taken are maintained. In addition, project implementation unit managers will be responsible for ensuring and implementing international standards in camp management. 	
10	Community Health and Safety	Community health and safety risks	Low	 The grievance redress mechanism officer will be introduced to the local people and updated information about the grievance redress mechanism will continue to be provided. In case of an update in the documents, the updated information will be announced to the local people through the relevant headman's office. 	Project Company
12	Stakeholder Engagemen t and Grievance Mechanism	Communication issues with the stakeholders & Grievance Issues		 An efficient Grievance Redress Mechanism will be initiated to allow potentially affected stakeholders to voice their concerns on the Project. This mechanism includes recording, monitoring and performance evaluation. The Public Grievance Redress Mechanism and the Worker Grievance Redress Mechanism will each have dedicated authorities. These designated personnel will handle and evaluate complaints impartially. Furthermore, those responsible for addressing grievances must do so confidentially and with an unbiased approach. 	Project Company
14	Climate Change	Adaptation	Low	 Reinforce the factory's physical infrastructure to withstand extreme weather events, including the installation of flood barriers, elevation of critical equipment, and designing structures that can resist heavy rainfall. 	Project Company



No.	Торіс	Definition of Potential Impact	Impact Significance Before Mitigation	Measures to be Taken	Responsibility
				 Collaborate with ALOSBI (Aliağa Organized Industrial Zone) for flood risk management, and independently ensure the resilience of structures and products against flooding. 	
				 Diversify suppliers and establish backup routes to ensure a steady flow of raw materials, with contingency plans for supply chain disruptions caused by extreme weather. 	
				 Utilize a vast network of product suppliers and delivery alternatives, including the possibility of using cargo aircraft in case of disruptions to shipping routes due to extreme weather events. 	
				 Integrate diverse energy sources to mitigate the impact of energy shortages resulting from changing climate conditions, and consider installing energy storage systems for a more reliable energy supply. 	
				 Implement emergency response plans that consider various climate-related scenarios, ensuring minimal disruption to production and a swift recovery post-event. This includes establishing clear safety protocols and regularly training employees on emergency response plans during extreme weather events. 	
				 Develop and practice evacuation plans to ensure the safety and well-being of the workforce. 	
				 Engage in collaboration with governmental bodies and industry associations to align with national or sectoral adaptation and climate resilience policies. 	



5 STAKEHOLDER ENGAGEMENT

Stakeholder identification is a key step in managing the overall stakeholder engagement process. A stakeholder is defined as any individual, organization or group which is potentially affected by the Project or which has an interest in the Project and its impacts.

It is important that particular effort is made to identify any disadvantaged and vulnerable stakeholders who may be differentially or disproportionately affected by the Project or who may have difficulty participating in the engagement and development processes. Stakeholder identification is also an on-going process and will require regular review and update. The Stakeholder Engagement Plan (SEP) has been prepared for this project to identify project stakeholders and establish engagement methods for the future of the Project. The SEP document will be on the Project Company's website for stakeholders to access.

Stakeholder identification has been an on-going process and different issues are likely to concern different stakeholders. Therefore, stakeholders have been grouped based on their connections to the Project. Understanding the connections of a stakeholder group to the Project helps identify the key objectives of engagement.

Qualified personnel will be authorized by the Project Company to implement SEP and will be responsible for stakeholder engagement activities, but the Project Company has ultimate responsibility for implementing SEP.

The nearest settlement to the Project Area is Çoraklar Mahallesi, located at a distance of 2.72 km. Although the likelihood of being affected by the project is considered quite low, the neighbourhood headman and local residents have been recognized as stakeholders. During the site visit, contact was made with the headman of Çoraklar Mahallesi via telephone, and he stated that a single business located within the Organized Industrial Zone (OIZ) does not have a significant impact on the neighbourhood. The population of the neighbourhood consists of 18 women and 97 men, with a total population of 115.

Since the project is situated within the OIZ, the neighboring facilities will be the most affected by the project activities in terms of noise, dust and traffic.

5.1 Grievance Redress Mechanism (GRM)

The structured Public and Worker GRMs will address the grievances associated with the Project through a transparent and impartial process.

The GRMs will each have dedicated authorities. These designated personnel will handle and evaluate complaints impartially. Furthermore, those responsible for addressing grievances must do so confidentially and with an unbiased approach. Grievances of gender-based violence, exploitation and harassment can result in a culture of silence due to negative reactions from the community. For the avoidance of this, it is highly important that the stakeholders raise the grievances involving these issues about the Project anonymously.





Public Grievance Redress Mechanism

A dedicated contact information for the public grievance mechanism will be announced on the facility's website, where the project will be introduced. The Project Company will also incorporate a complaint and suggestion section specific to the facility on its website, allowing stakeholders to submit complaints and suggestions. All grievances, including verbal ones will be recorded. Grievances requiring urgent intervention will be identified and GRM leaflets with contact numbers will be disseminated at the project site and its surroundings.

Worker Grievance Redress Mechanism

The Worker Grievance Redress Mechanism will be established and communicated to all Project employees (including both direct and indirect employees) through written and verbal communication. All project workers will be trained on the scope and use of the GRM and Company will encourage employees to use GRM. Grievance and suggestion boxes will be set in places that cover all workplaces and are easily accessible to employees.

A Worker Grievance Redress Mechanism official will be designated and communicated to workers. If subcontractor personnel do not have their own grievance mechanism or choose to do so, they can approach the Project Company's mechanism.

Detailed information about the usage and scope of the mechanisms will be introduced to employees and stakeholders through information sessions, brochures, and announcements.

It should also be noted that workers and stakeholders can submit anonymous complaints. Detailed information on GRM is included in the SEP.

5.2 AllB Independent Accountability Mechanism.

The Project-Affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project- affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through the Project-level Grievance Redress Mechanism (GRM) or the processes of Bank Management. Information on the PPM is available at <u>https://www.aiib.org/en/policiesstrategies/operational-policies/policy-on-the-project-affected-mechanism.html</u>