
GRIEVANCE MECHANISM PROCEDURE**PURPOSE SCOPE**

This Management Procedure has been developed in accordance with SPV policies, the commitments undertaken by SPV in the ESA, Turkish regulatory framework, IFC Performance Standards, IFC General and Sector Specific EHS Guidelines, EBRD Performance Requirements, OPIC Environmental and Social Policy Statement and EDC. The purpose of the procedure is to define the way to manage grievances that might arise from individuals, communities and workers due to Project Construction activities.

It includes guidelines and minimum requirements for EPC Contractor for defining its own procedure appropriate to the nature and scale of the Project Construction phase.

APPLICATION

This procedure applies to the Project Construction phase only; the Operation phase aspects will be addressed in separate documents. It applies to construction work activities under the control of SPV, of EPC Contractor and Subcontractors and to all KİP employees.

DEFINITIONS

Kocaeli or SPV:	Kocaeli Hastane Yatırım ve Sağlık Hizmetleri A.Ş.
Kocaeli Integrated Health Campus Project (or “KİP” or simply “Project”):	Kocaeli Integrated Health Campus Project, being executed by SPV or its affiliates.
EPC Contractor (or simply EPC):	Gama – Türkerler Kocaeli Adi Ortaklığı & Gama Türkerler Dubai
Site Management:	All key managerial roles involved in the Construction Site management, mainly referring to the EPC Contractor’s personnel.
Environmental and Social Management System (ESMS)	The complete set of documents (including but not limited to: policies, manuals, plans, procedures, work instruction and records) developed to address, manage, monitor, audit and review the environmental, social, health and safety aspects of the KİP, aimed at mitigating potential ESHS risks and impacts and improving ESHS performance.
Guidelines to EPC Contractor	Guidelines to EPC for the development of its own ESMS and associated EPC Contractor procedures appropriate to the nature and scale of the Project are contained in SPV ESMS documentation. SPV ESMS documentation, identify also minimum requirements and specific responsibilities for EPC Contractor in line with the EPC contract.
Construction Site:	The Construction Site includes all areas impacted in any manner by the construction activities.
Environmental and Social Management Plans (ESMPs)	Plans issued by SPV addressing significant Environmental and Social aspects (as identified in the ESA) by defining specific management methods, mitigation measures, monitoring activities, reporting, auditing and review.
EPC Contractor Procedure	A procedure to be prepared by EPC, to be used by EPC to describe how the mitigation and monitoring measures/actions outlined in SPV ESMPs are actually implemented.
Grievance	A grievance is a concern or a complaint raised by an individual or a group within communities affected by company operations.

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Complainant Complainant of a grievance can be an individual, a family, a group of people, community groups, NGOs or local governments (as represented by muhtars of villages/neighborhoods or mayors).

ACRONYMS

KİP	Kocaeli Integrated Health Campus Project
SPV	Kocaeli Hastane Yatırım ve Sağlık Hizmetleri A.Ş.
Golder	Golder Associates Turkey Ltd. Şti.
BAT	Best Available Technology
CRD	Community Relation Department
CRO	Community Relation Officer
EBRD	European Bank for Reconstruction and Development
EDC	Export Development Canada
EHS	Environmental, Health and Safety
EPC	Engineering Procurement and Construction
EPRP	Emergency Preparedness and Response Plan
ES	Environmental and Social
ESHS	Environmental, Social Health and Safety
ESA	Environmental and Social Assessment
ESMP(s)	Environmental and Social Management Plan(s)
ESMS	Environmental and Social Management System
ESAP	Environmental and Social Action Plan
EU	European Union
GHG	Greenhouse Gas
GIIP	Good International Industry Practice
HRD	Human Resources Department
HRM	Human Resources Manager
HS (or OHS)	(Occupational) Health and Safety
IFC	International Finance Corporation
ISO	International Organization for Standardization
KPI	Key Performance Indicators
OHSAS	Occupational Health and Safety Assessment Scheme
OPIC	Overseas Private Investment Corporation
PR	Performance Requirement (issued by EBRD)
PS	Performance Standard (issued by IFC)
QRA	Quantitative Risk Analysis
SEP	Stakeholder Engagement Plan
WHO	World Health Organization

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1.0 PURPOSE AND SCOPE OF THE PROCEDURE

This procedure has been developed in accordance with SPV policies, the commitments undertaken by SPV in the ESA, Turkish regulatory framework, IFC Performance Standards, IFC General and Sector Specific EHS Guidelines, EBRD Performance Requirements, OPIC Environmental and Social Policy Statement and EDC. Where no national regulation or international standard/guideline applies, it considers the adoption of Good International Industry Practices (GIIP).

Key elements of a grievance mechanism include:

- clear instructions on how grievances are submitted and handled after submission, including a minimum period that a stakeholder/worker must wait to receive a reply; and
- to present the minimum requirements for a dedicated grievance mechanism for workers.

The purpose of this document is to demonstrate responsiveness to stakeholder and worker needs and to provide indications on the procedure to be followed for the management of grievances that could arise due to Construction activities by the stakeholder/community or workers.

A clear and widely publicized grievance mechanism improves stakeholder management by ensuring the grievances are documented in writing and clearly understood. All stakeholders are encouraged to submit written grievances and should be reassured that written submissions will not be used in any way to intimidate those submitting the complaints. The Grievance Mechanism is part of a broader framework represented by the “Stakeholder Engagement Plan”, which sets the guiding principles and provides implementation tools to build strong relations with local communities. In this sense the Grievance Mechanism is the key tool that allows the company to identify problems and to discover solutions together with the affected communities and employees.

The principles underlying the Grievance Mechanism for Workers are the same as the Grievance Mechanism for the stakeholders/communities. In addition, workers will be guaranteed that the use of the grievance mechanism will not affect in any way their retribution or working rights.

The principles underlying the Grievance Mechanism are the following:

- Transparency in grievance receipt and registration system;
- Accessibility and culturally appropriateness, ensuring ease of access to community members;
- Predictability based on a clear and known procedure, with time frames for each stage; clarity on the types of process and outcome it can (and cannot) offer; and means of monitoring the implementation of any outcome, maintained through effective disclosure of the mechanism;
- Equitability ensuring fairness among aggrieved parties;
- Confidentiality: all grievances received will be treated confidentially and will not be shared outside SPV. Submissions will not be used in any way to intimidate the person or organization submitting the complaint.

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The objectives of the SPV grievance management process are to:

- provide affected people/community and workers with ways and means of stating their complaints during the course of the project;
- establish a transparent and mutually respectful relation with communities;
- ensure that corrective actions are identified and taken;
- verify that affected people/workers are satisfied with the corrective actions taken
- avoid the need for judicial actions.

This procedure refers to both external grievances coming from all Stakeholders and internal grievances coming from workers directly or indirectly employed on the Project.

The procedure includes guidelines and minimum requirements for EPC Contractor for defining its own procedure appropriate to the nature and scale of the Project Construction phase.

GRIEVANCE MECHANISM PROCEDURE**2.0 BACKGROUND POLICIES AND STANDARDS**

This section includes all those policies, standards and requirements of reference for this procedure that are applicable for, but not limited to, the Project during Construction phase.

2.1 National standards and regulations

Turkish regulations do not require the establishment and implementation of a grievance mechanism.

2.2 International standards

Most IFI standards guideline documents require establishing and implementing a grievance mechanism. The present document has been prepared in accordance to the policies and standards listed in the table below.

Source	Document Title
The Equator Principles Association	The Equator Principles, June 2013
IFC - International Finance Corp.	IFC Performance Standards
IFC - International Finance Corp.	IFC PS1 Assessment and Management of Environmental and Social Risks and Impacts
IFC - International Finance Corp.	IFC PS2 Labor and Working Conditions
IFC - International Finance Corp.	IFC PS4 Community Health, Safety, and Security
IFC - International Finance Corp.	IFC PS5 Land Acquisition and Involuntary Resettlement
EBRD - European Bank for Reconstruction and Development	EBRD PR 2 – Labour And Working Conditions
EBRD - European Bank for Reconstruction and Development	EBRD PR 10 - Information Disclosure And Stakeholder Engagement
OPIC - Overseas Private Investment Corporation	OPIC Environmental and Social Policy Statement, Statement 5
International Organization for Standardization	ISO 14001:2004 - Environmental management systems Requirements with guidance for use
OHSAS Project Group	OHSAS 18001 - Occupational health and safety management systems Requirements

2.3 Source documents

This section presents source documents, i.e. documents where SPV commitments are sourced from and that are the trigger for the development and implementation of the ESMPs and in general of the ESMS documentation. They are in turn based on Turkish regulatory framework, EBRD Performance Requirements, IFC Performance Standard and Guidelines and OPIC Environmental and Social Policy Statement.

Document ID	Document Title
ESA Report	Environmental Social Assessment (January, 2016)
SEP	Stakeholder Engagement Plan (January, 2016)

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3.0 ROLES AND RESPONSIBILITIES

Principal roles and responsibilities for the implementation of this procedure are outlined below.

3.1 *EPC Contractor & Subcontractors*

The running of the Grievance mechanism for the external stakeholders is under the responsibility of SPV and EPC Contractor are not allowed to handle grievances from external Stakeholders directly but have to collect and forward any grievance they receive from external Stakeholders to SPV CRO. The SPV CRO/HRM and the EPC Contractor have to liaise regularly to discuss on status of construction activities and on emerging critical issues. If grievance resolution activities are responsibility of the EPC Contractor, the relevant person from SPV (HSE Manager, Project Director, HR Manager) discusses with the EPC Contractor on the appropriate solutions and then provides guidelines as to how the action has to be performed. The EPC Contractor then reports formally to the SPV when the action is completed, describing if any changes to indications have occurred, so that the grievance can be closed.

EPC Contractor has to ensure sufficient and qualified resources are allocated on an ongoing basis to achieve effective implementation of this Procedure.

EPC has to provide relevant monitoring data and monitoring reports to SPV as indicated in section 7 "Reporting" of this procedure.

If any Subcontractor is involved, it is responsible for duly implementing requirements included in EPC Contractor procedures under the EPC supervision.

3.2 *SPV*

SPV Management has to ensure sufficient and qualified resources are allocated on an ongoing basis to achieve effective implementation of actions, measures and monitoring activities under SPV's responsibility. SPV Management is responsible for:

- Procedure final approval;
- taking appropriate actions to address major Non-Conformities based on audit reports, performance monitoring reports and on proposed approach and actions.

SPV HSE/Human Resources Manager is responsible for:

- ensuring that this procedure is up to date and appropriate to the nature and scale of the KIP and ensuring that this procedure is implemented effectively by EPC Contractor;
- ensuring that action/measures and monitoring activities directly under SPV responsibilities are carried out timely and adequately according to this Management Procedure requirements;

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- proposing to SPV Management, if necessary, amendments and/or updates to this Management Procedure and issuing plan revisions;
- programming inspections and audit activities to ensure the correct implementation of this Procedure and of EPC Contractor Procedure;
- addressing Non-Conformities through the definition of Preventive/Corrective actions;
- bringing major Non-Conformities immediately to the attention of SPV Management;
- collecting, organizing and reviewing monitoring data and performance monitoring reports from EPC Contractor and providing summary results of such reports to SPV Management, to stakeholders and to the Lenders.

4.0 MANAGEMENT METHODS AND MITIGATION MEASURES

The establishment and implementation of a Grievance Mechanism for Projects of this type is required according to the standards of International Financing Institutes. In addition the commitment to implement a Grievance Mechanism is found in the Project ESA, which considers it a measure to address, manage and mitigate social impacts identified throughout the study. The list of requirements and commitments is presented in the table below.

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ID.	SOURCE DOC.	MITIGATION ACTION/MEASURE DESCRIPTION	FREQUENCY/TIMING	KPI	TARGET/ ACCEPTANCE CRITERIA	RESPONSIBILITIES
GRM-01	IFC-PS1 §34 EBRD PR10 §28 OPIC Statement §3.9 ESA – Section 10 SEP	Establish a grievance mechanism to receive and facilitate resolution of Communities’ concerns and grievances about the SPV’s Project environmental and social performance. The grievance mechanism should be scaled to the risks and adverse impacts of the project and have Affected Communities as its primary user. It should seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible, and at no cost and without retribution to the party that originated the issue of concern. The mechanism should not impede access to judicial or administrative remedies. Inform the Communities about the mechanism in the course of the Stakeholder engagement process.	Construction Phase	N.A.	Action implemented	SPV
GRM-02	IFC-PS4 §12 EBRD PR10 §28 OPIC Statement §3.9 ESA – Section 10 SEP	Provide a grievance mechanism for Communities to express concerns about the security arrangements and acts of security personnel.	Throughout entire project life cycle	N.A.	Action implemented	SPV
GRM-03	IFC-PS5§11 EBRD PR10 §28 OPIC Statement §3.9 ESA – Section 10 SEP	Establish a grievance mechanism consistent with PS1 as early as possible in the project development phase.	Throughout the entire project life cycle	N.A.	Action implemented	SPV
GRM-04	IFC PS2 §20 and 26 EBRD PR2 §20 §21 OPIC Statement §5.15 SEP	The employer will provide a grievance mechanism for workers (and their organizations, where they exist) to raise workplace concerns. The client will inform the workers of the grievance mechanism at the time of recruitment and make it easily accessible to them. The mechanism should involve an appropriate level of management and address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any	Ongoing	Grievances, recorded Grievances responded	Grievance mechanism for workers in place 100% recorded 100% responded	SPV EPC Contractor

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	ESA – Section 10 SEP	retribution. The mechanism should also allow for anonymous complaints to be raised and addressed.				
GRM-05	IFC-PS2 §26 EBRD PR2 §20 §21 OPIC Statement §5.15 ESA – Section 10 SEP	Ensure that contracted workers (PS2 §24-25), have access to a grievance mechanism. In cases where the third party is not able to provide a grievance mechanism the client will extend its own grievance mechanism to serve workers engaged by the third party.	ongoing	n.a.	Grievance mechanism accessible for all Contractor's and Subcontractors' workers	SPV EPC Contractor

GRIEVANCE MECHANISM PROCEDURE**4.1 Grievance mechanism for external Grievances**

In general a grievance received from an individual or a community indicates that Company activities are leading to a negative impact on the complainant, whether factual or perceived. Handling the grievance, implementing a possible corrective action and providing a response are key activities to proactively solve problems, to create a strong relation with the communities and to increase mutual trust. The implementation of the grievance mechanism procedure occurs through following step process:

- Disclosure Mechanism
- Receiving and Recording
- Assessment and Investigation
- Developing Resolution
- Response to the complainant
- Close out of the complaint

A. Disclosure mechanism

The presence of a Grievance mechanism that individuals and communities can use to express complaints must be disclosed in a clear and broad manner. This can be done through the use of tailored communication material such as:

- Specific page in SPV's website;
- Written material including leaflets, brochures and posters.

The disclosure material will contain to a minimum the following information:

- Where, when and how community members can file complaints (contact addresses, telephone number, website, collection box, external parties etc.);
- Who is responsible for receiving and responding to complaints, and any external parties that take part in the grievance resolution process;
- What sort of response complainants can expect from SPV, including timing of response;
- What timeframe complainants can expect from SPV for the acknowledgement of grievance receipt and for the overall grievance resolution;
- What other rights and protection are guaranteed.

GRIEVANCE MECHANISM PROCEDURE***B. Receiving and recording of the complaints***

SPV will implement this grievance mechanism so that grievances can be submitted by communities and individuals through the following channels:

- Written submission via e-mail;
- Oral submission over the phone;
- Written or oral submission through muhtars;
- Written or oral submission directly to the SPV, or EPC Contractor, preferably through appointment.

The issue of setting up a physical or virtual collection box will be considered by SPV, as this represents an easy system for those that might be unwilling to submit compliances through more formal channels. The physical box will ideally be placed at the entrance of the facility.

A virtual collection box could be placed on SPV website and should give the option to provide comment anonymously. A message on the box will briefly explain the purpose of the grievance mechanism and the procedure that will be used in case of anonymous grievances.

In the case that external members are involved in the collection of grievances, such as muhtars, the CRO have to dedicate some time to liaise directly with them, to ensure that they are clear on the purpose of the mechanism and on the procedures to collect grievances and to forward them to SPV.

Because workers are often the primary interface between SPV and communities, they might be directly approached by individuals or groups wanting to submit a complaint. In this case it is important that workers do not collect the grievance directly but rather inform complainants on the appropriate channels to be used to submit a grievance. Appropriate training and instructions on the grievance mechanism have to be therefore provided to staff during induction training under responsibility of the Human Resources Manager.

The SPV HSE Manager represents the endpoint of all grievances submitted via any of the channels listed above. Once received by the SPV HSE Manager, grievances have to be acknowledged within two business days. Grievances will be registered using the, "Grievance Form" (Appendix 1), "Grievances Register Form" (Appendix 2) and "Grievance Action Form" (Appendix 3).

The "Grievance Form" is used to record all information relative to an individual grievance. The following information will be recorded on the "Grievance Form":

- Identification of the grievance;
- Complainant details (name, contact information, telephone etc.);
- Grievance details (date, subject, recorded through, recorded by etc.);

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The register represents the list of grievances submitted, allowing to keep track of grievances and to obtain quick data on the progress of the Grievance Mechanism. The following information is found in the “Grievances Register form”:

- Univocal ID code for the grievance;
- Date of submission and of receipt of the grievance;
- Title of the grievance;
- Channel through which the grievance was submitted;
- Name of the complainant;
- Contact detail of the complainant;
- Date of informing the complainant on proposed action to be taken;
- Date of contacting the complaint after action is taken; and
- Date of closure of the grievance.

The “Grievance Action Form” is used to asset, find resolution and close all grievances. The following information will be recorded on the “Grievance Action Form”:

- ID Code;
- Information about the complainant;
- Date of grievance submission;
- Describe all the details relevant to the complaint;
- Describe all the details relevant to the complaint;
- Describe all the details relevant to the complaint;
- Decision of the measures to be taken by;
- Person responsible for corrective action; and
- Names and signatories of the responsible people.

The forms and any other material related to the grievance (i.e. photos, report, written documentation etc.) will be stored electronically in a dossier identified univocally with the grievance ID code given in the register.

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More grievances related to the same issue can be grouped in the same form under the same ID, as far as compliant details and related record are duly recorded in the form.

Once the grievance is registered, the SPV HSE Manager in collaboration with CRO will respond orally or in writing to the complainant to confirm that grievance has been received and registered; in addition the CRO will provide indications on the resolution procedure that will be followed and on the time that should be expected for the resolution.

As a general rule, names of persons submitting a grievance have to be kept confidential unless a grievance is made in a public meeting. Only the number of grievances and the general nature of complaints will be regularly reported, as detailed in the section on Reporting. This information will be summarized in a grievance registry, but personal information will be kept private. Only SPV Management, the CRO and other appointed staff will have access to the database, to ensure that all information is treated confidentially.

C. Assessment and Investigation

Once the grievance is formally recorded, the CRO will proceed with the assessment of the grievance, to screen whether it is eligible for the grievance mechanism. As a general rule, the following complaints will be directed outside the Grievance Mechanism:

- Complaints that are clearly not related to the Project: complaints that refer to issues that are not directly or indirectly related to Project activities cannot be handled by SPV. Because it is sometimes difficult to determine which issues are related to the Project and which are not, if in doubt the SPV should accept the complaint and assess its legitimacy;
- Complaints constituting criminal activity and violence: in these cases, complaints should be referred to the formal justice system;
- Commercial disputes: commercial matters should be stipulated for in contractual agreements and issues should be resolved through commercial dispute resolution mechanisms or civil court.

If the complaint is considered ineligible, the complainant will be informed of the decision; communication will include documentation of the decision through detailed and respectful explanation, together with compelling evidence of why it cannot be accepted.

It is advisable to give complainants the benefit of doubt and engage in a conversation before deciding to reject a complaint. Complainants might have provided incomplete information or might not have been able to clearly focus the core issue of the complaint. In some cases, even if the complaint seems to be unlinked to Project activities, the potential issues underlying these complaints might still need to be explored, as they could indicate some deeper concerns with the Project, such as lack of trust or information on the Project.

If the complaint is considered to be eligible for the grievance mechanism, SPV HSE Manager is then responsible to conduct the assessment of grievance received, to gather information about the case, the context and key issue, in order to determine whether and how the complaint can be resolved. The CRO

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must try to understand the point of view of the complainant to extent possible, in order to approach the solution finding phase in a proactive manner.

If the grievance concerns an asset such as a house or a property, the CRO in coordination with SPV HSE Manager should consider visiting the site to collect first-hand information. The following actions should be performed during the visit:

- Locate the site using GPS coordinates;
- Assess number and type of assets involved;
- Collect information from the complainant;
- Take pictures to document the state of the asset involved.

Once the nature of the complaint has been determined, the CRO should consider if the involvement of other SPV/EPC departments or resources is necessary to seek for further technical competences needed to better assess the complaint and to formulate the solution.

D. Developing Resolution

Once the nature of the complaint is clear, the CRO in coordination with SPV will proceed in the formulation of a corrective action or solution to solve the complaint. General approaches to grievance may include the following:

SPV proposes a solution (unilateral approach)

This approach is suggested to be used in the following cases:

- The complaint is straightforward, the issue is clear and the solution is obvious;
- SPV employees can resolve the issue alone, to the satisfaction of the complainant, based on their knowledge and authority.

A considered and respectful company proposal is more likely to be acceptable to the complainant.

According to this system, SPV proposes a solution and offers it to the complainant. SPV and the complainant jointly decide if the solution is acceptable and, hence, share decision-making authority. In this case companies perceive several advantages:

- A more rapid response;
- Use of fewer company staff and material resources;
- Some control of resolution procedures and outcomes.

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This approach is suggested to be used in the following cases:

- An ongoing relationship and a face-to-face resolution process matter;
- The case is more complex and several diverse Stakeholders are involved;
- Local community members distrust a company proposal;
- The response from a “unilateral solution” procedure is not considered acceptable by the complainant;
- Talking together is required to promote more accurate communication, share information or develop mutually acceptable solutions;
- There are procedural, psychological and substantive interests for both parties that lent themselves to such an approach.

Bilateral approaches are probably the most accessible, natural and unthreatening ways for SPV and communities to resolve differences. Under this option, SPV representatives and complainants share decision-making authority and jointly engage in problem solving approach to reach a resolution of the grievance by themselves. In this case the advantages include the following:

- Those directly involved can address the complaint early, rapidly and informally;
- Ownership of the dispute and its solution rests with the parties – those who are more qualified to know the issues and who have most to gain from an equitable resolution;
- Parties can devise solutions that do not feel like a compromise;
- The process can improve relationships as well as address substantive concerns in a principles and creative way, leaving both sides better off;
- Problem solving approaches are often less adversarial, more flexible and less costly in economic and non-economic terms.

Through third party.

Asking support from third-parties for the resolution of a complaint is useful in the following cases

- Complex and controversial issues, which may involve more individuals or groups, may overlap and may not have a single point of origin or obvious solution;

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- Unilateral or bilateral approaches have not proved to be successful;
- There are disputes of fact or conflicts about data.

In these cases independent bodies can provide the credibility that comes with impartiality and can foster dialogue and collaboration between SPV and affected communities. The neutral party may be a trusted individual or group in the community, a respected technical expert or an independent arbitrator.

E. Response to the complainant

Once an agreed solution for the grievance has been established, the CRO in coordination with SPV HSE Manager notifies the complainant on the proposed corrective action and the timeframe for implementing the action. Based on how the grievance was received, communication can be either written or oral. The communication process will be implemented in two steps:

- A preliminary response will be provided within 10 business day from the reception of the complaint, informing on the results of the assessment and on the status of the claim. The response should also inform on next steps that will be taken and timeframe to be expected;
- A final response will be given to document the final proposed resolution. The communication will inform on the proposal, state mutual commitments and ask for the complainant's agreement. The final response will be sent within 30 business days from the reception of the grievance. If the complainant is not satisfied with the proposed resolution, they should be free to take their grievances to a dispute resolution mechanism outside SPV's grievance mechanism.

F. Close out of the complaint

Close out: once the agreement has been accepted, the grievance can be closed and registered. It is a good practice to collect proof that the corrective actions have taken place, by including the following:

- reports prepared by the competent department or from the EPC Contractor that has implemented the actions;
- photos proving evidence of the before and after situation;
- signature of the responsible staff confirming the corrective actions implementation and grievance closure;
- if the issue was resolved to the satisfaction of the complainants, include a confirmation or feedback to be filed together with the documentation.

The closure of grievances will be signed-off by the CRO and SPV HSE manager will be informed on these grievances in the periodic reports.

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Anonymous grievances have to be considered in the procedure and have to undergo the same screening, assessment and resolution process as for other grievances. Because no interaction with the complainant is possible in these cases, the CRO will identify and implement possible unilateral resolutions. Once corrective actions possibly necessary are implemented, the CRO has to close the Grievance procedure but no response is prepared. Information on anonymous grievances has to be included in the monitoring and review procedures.

4.2 Grievance mechanism for Workers

In parallel to the Grievance Mechanism for external individuals and communities (Section 4.1), SPV ensures that a mechanism is in place to manage the grievances raised by the workers (including, but not limited to, reporting of HSE concerns to the management). Grievances from SPV workers have to be managed directly by SPV Management through in coordination with HSE Department (for OHS issues) and HR Department (for labor and working or accommodation issues); while grievances from EPC Contractor and Subcontractor workers have to be managed by each party and results reported to SPV Management through the implementation of a similar procedure.

The principles underlying the Grievance Mechanism for workers are the same presented for the Grievance Mechanism for external grievances. In addition, workers will be guaranteed that the use of the grievance mechanism will not affect in any way their retribution or working rights.

The HS Committee formed in compliance with Turkish Legal Requirements represents a medium for workers to report any concern or complaint on their working environment.

The grievance mechanism for workers follows the same steps, outlined in the Grievance Mechanism Procedure and is under the responsibility of the Human Resources Department, listed below:

- Disclosure Mechanism
- Receiving and Recording
- Assessment and Investigation
- Developing Resolution
- Response to the complainant
- Close out of the complaint

A. Disclosure mechanism

Disclosure of this mechanism has to be made to workers during recruitment process and during induction training which is under the responsibility of the SPV HSE Department; in addition, it will be publicized through specific information material.

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The following channels can be used by workers to submit their grievances through:

- Written submission by mail or e-mail;
- Written or oral submission directly to the Human Resources Manager (“HRM”), to line managers and to workers’ representatives;
- Written submission (Grievance forms) in collection box;
- Written or oral submission to the HS Committee.

The disclosure material/training will contain to a minimum the following information:

- Where, when and how workers can file complaints (contact addresses, telephone number, website, collection box etc.);
- Who is responsible for receiving and responding to complaints;
- What sort of response complainants can expect from SPV, including timing of response;
- What timeframe complainants can expect from SPV for the acknowledgement of grievance receipt and for the overall grievance resolution;
- What other rights and protection are guaranteed.

B. Receiving and recording of the complaints

SPV will implement this grievance mechanism so that grievances can be submitted by through the channels stated above section.

The issue of setting up a physical collection box represents an easy system for those that might be unwilling to submit compliances through more formal channels. The physical box will ideally be placed at the entrance of the facility and the places where workers commonly present (canteen, dormitory etc.). A message on the box on the collection box will briefly explain the purpose of the grievance mechanism and the procedure that will be used in case of anonymous grievances.

Once the grievance is received, the HRM has to register and record the grievance similarly to external grievances, informing the complainant that it has been received. A specific database will be set up for workers’ grievances.

The HRM represents the endpoint of all grievances submitted via any of the channels listed above. Once received by the HRM, grievances have to be acknowledged within two business days. The HRM will register grievances using the, “Grievance Form”, “Grievances Register Form” and “Grievance Action Form”.

GRIEVANCE MECHANISM PROCEDURE

The “Grievance Form” is used to record all information relative to an individual grievance. The following information will be recorded on the “Grievance Form”:

- Identification of the grievance;
- Complainant details (name, contact information, telephone etc.);
- Grievance details (date, subject, recorded through, recorded by etc.).

The register represents the list of grievances submitted, allowing to keep track of grievances and to obtain quick data on the progress of the Grievance Mechanism. The following information is found in the “Grievances Register form”:

- Univocal ID code for the grievance;
- Date of submission and of receipt of the grievance;
- Title of the grievance;
- Channel through which the grievance was submitted;
- Name of the complainant;
- Date of informing the complainant on proposed action to be taken;
- Date of contacting the complaint after action is taken; and
- Date of closure of the grievance.

The “Grievance Action Form” is used to asset, find resolution and close all grievances. The following information will be recorded on the “Grievance Action Form”:

- ID Code;
- Information about the complainant;
- Date of grievance submission;
- Describe all the details relevant to the complaint;
- Describe all the details relevant to the complaint;
- Describe all the details relevant to the complaint;
- Decision of the measures to be taken by;

GRIEVANCE MECHANISM PROCEDURE

- Person responsible for corrective action; and
- Names and signatories of the responsible people.

The forms and any other material related to the grievance (i.e. photos, report, written documentation etc.) will be stored electronically in a dossier identified univocally with the grievance ID code given in the worker specific database. More grievances related to the same issue can be grouped in the same form under the same ID, as far as compliant details and related record are duly recorded in the form.

Once the grievance is registered, the HRM will respond orally or in writing to the complainant to confirm that grievance has been received and registered; in addition the HRM will provide indications on the resolution procedure that will be followed and on the time that should be expected for the resolution.

C. Assessment and Investigation

Once the grievance is formally recorded, the CRO will proceed with the assessment of the grievance, to screen whether it is eligible for the grievance mechanism. The detail about the complaints which will be directed outside the Grievance Mechanism is given in the Section 4.1.

If the complaint is considered ineligible, the complainant will be informed of the decision; communication will include documentation of the decision through detailed and respectful explanation, together with compelling evidence of why it cannot be accepted.

If the complaint is considered to be eligible for the grievance mechanism, the HR Department is then responsible to conduct the assessment of grievance received, to gather information about the case, the context and key issue, in order to determine whether and how the complaint can be resolved. It is likely that the HR Department will have to involve the HSE department, the HS Committee and/or the line manager and/or the camp manager for the resolution of the grievance.

D. Developing Resolution

Once the nature of the complaint is clear, the HR Department will proceed in the formulation of a corrective action or solution to solve the complaint.

In general terms, it is suggested that resolution procedures are kept as simple as possible and it is expected that most grievances should be solved through an informal discussion, such as a meeting between worker and involved parties should be held to solve the issue. During any meetings, the workers are allowed to be accompanied either by a colleague or a workers representative. If the initial steps do not lead to a resolution that is acceptable for the workers, a higher level of management should be involved, in order to find an agreed solution.

E. Response to the complainant

Once an agreed solution for the grievance has been established, the HRM notifies the complainant on the proposed corrective action and the timeframe for implementing the action. Based on how the grievance

GRIEVANCE MECHANISM PROCEDURE

was received, communication can be either written or oral. The communication process will be implemented in two steps:

- A preliminary response will be provided within 10 business day from the reception of the complaint, informing on the results of the assessment and on the status of the claim. The response should also inform on next steps that will be taken and timeframe to be expected;
- A final response will be given to document the final proposed resolution. The communication will inform on the proposal, state mutual commitments and ask for the complainant's agreement. The final response will be sent within 30 business days from the reception of the grievance. If the complainant is not satisfied with the proposed resolution, they should be free to take their grievances to a dispute resolution mechanism outside SPV's grievance mechanism.

F. Close out of the complaint

Close out: once the agreement has been accepted, the grievance can be closed and registered. It is a good practice to collect proof that the corrective actions have taken place, by including the following:

- reports prepared by the competent department or from the EPC Contractor that has implemented the actions;
- photos proving evidence of the before and after situation;
- signature of the responsible staff confirming the corrective actions implementation and grievance closure;
- if the grievance was resolved with the satisfaction of the complainants, include a confirmation or feedback to be filed together with the documentation.

The outcomes of the grievance mechanism for workers have to be regularly reported both internally and externally. Data and information on the Grievance Mechanism for Workers has to be included in the periodical reports under a specific heading, prepared in line with the reporting system of the rest of the document. As mentioned, grievances are confidential therefore any information has to be presented anonymously with no reference to the workers.

5.0 MONITORING (MEASUREMENTS)

Monitoring of the procedure will be done by the CRO and HRM that have to report results of Grievance Mechanism activities to the SPV Management, as described below in the reporting section. In particular the CRO/HRM will monitor and inform on the performance of activities against the indicators on a periodical basis. In order to monitor the performance of the mechanism, the following KPI and related targets are set in the following table.

GRIEVANCE MECHANISM PROCEDURE

ID.	SOURCE DOC.	MONITORING	FREQUENCY/ TIMING	KPI	TARGET/ ACCEPTANCE CRITERIA	RESPONSIBILITIES
GRM-07	GIIP	Capacity to respond and solve external grievances within the established timeframe and with the satisfaction of the complainant	Construction Phase	% of grievances responded	90%	SPV / CR Department
				% of grievances responded and solved within timeframe	80%	SPV / CR Department
		Capacity of managing and resolving recurrent external grievances of similar nature		% of grievances solved with satisfaction	70%	SPV / CR Department
				Trend of grievances of similar nature over time	Grievance trend decreasing overtime	SPV / CR Department
GRM-08	GIIP	Capacity to respond and solve workers grievances within the established timeframe and with the satisfaction of the complainant	Construction Phase	% of grievances responded	100%	SPV / HR Department
				% of grievances responded and solved within timeframe	100%	SPV / HR Department EPC Contractor
		Capacity of managing and resolving recurrent workers grievances of similar nature		% of grievances solved with satisfaction	80%	SPV / HR Department EPC Contractor
				Trend of grievances of similar nature over time	Grievance trend decreasing overtime	SPV / HR Department EPC Contractor

Because the Grievance Mechanism is a complex procedure that involves different parties, both internal and external to SPV, it can be presumably expected that the procedure will have to be amended and refined throughout the process, based on internal and external feedback. Analysis on the effectiveness of the procedure will be done by the CRO/HRM (SPV and EPC) using both quantitative and qualitative information.

6.0 AUDIT AND REVIEW

The correct implementation of this procedure is verified through internal and external inspections and audits to be carried out according to the requirements included in "ESMS Manual".

The schedule, the frequency, the scope and objectives of the audit as well as the responsible internal auditors are indicated in the Audit Program that will be developed and updated by SPV HSE/CR/HR Departments.

Internal auditing will address:

- The correct implementation of this Procedure;

GRIEVANCE MECHANISM PROCEDURE

- The correct development and implementation by EPC Contractor of a procedure for managing and resolving workers' grievances and for collecting and communicating Stakeholder grievances to SPV;
- The correct implementation of the methodology indicated in section 4 and 5, the implementation of mitigation measures indicated in the table in section 4 and monitoring activities indicated in the table in section 5.
- Timely and effective reporting as indicated in section 7.

During the inspections the audit team will address in particular:

- Review of database, to ensure that recording of grievances is entered correctly;
- Random review of 20% (or at least 4) grievance record forms and dossiers to ensure that information and material is filed and registered correctly;
- Review of periodic reports prepared by the CRO to ensure that they are compiled correctly.

Evidences and results of the inspection and audit activities are included in the audit reports and in the "Non-Conformity and Preventive/Corrective actions" records.

SPV Management reviews results of inspections and audits and the progress of the Preventive/Corrective actions and takes additional appropriate actions if necessary according to the indications included in "Management Review" Section of the "ESMS Manual".

GRIEVANCE MECHANISM PROCEDURE**7.0 REPORTING**

The outcomes of the grievance mechanism procedures (including those of the EPC Contractor's and subcontractors' workers) have to be regularly reported both internally and externally. In order to increase success of the grievance mechanism, all SPV management staff must be aware of role and objectives of the procedure, to ensure that effective support is given to the CRO/HRM in the identification and implementation of grievance resolution actions. It is therefore key that management and general staff are regularly informed on the grievance mechanism outcomes and performances.

With regards to internal reporting, the CRO/HRM is be responsible for liaising with management on a regular and on need basis, to inform on general progress of grievance mechanism and to seek for advice when needed.

CRO/HRM will prepare formal periodic reports on a quarterly basis during the construction phase to the SPV Management. Reports have to contain the following information:

- Overall data on number and typology of grievances processed;
- Main aspects and critical issues emerged;
- Corrective actions taken for the resolution of Stakeholders' and workers' grievances;
- Involvement of internal departments and staff;
- KPIs against targets;
- Decisions taken with the SPV management.

EPC Contractor will prepare on a quarterly basis and present to the SPV HRM a similar reporting on its workers' grievances.

These data together with the results of the inspection and audit activities will be summarized in a Report on a six monthly basis that will be made available to stakeholders which is under the responsibility of SPV. This report constitutes the basis for the monitoring report to be available for the Lenders.

As mentioned, grievances are confidential therefore any information externally must be presented anonymously with no reference to people or organizations.

GRIEVANCE MECHANISM PROCEDURE

APPENDIX 1

GRIEVANCE FORM

GRIEVANCE MECHANISM PROCEDURE

KOCAELI INTEGRATED HEALTH CAMPUS PROJECT – GRIEVANCE FORM		
ID Code:	Submission channel:	
INFORMATION ABOUT THE PERSON SUBMITTING COMMENT AND/OR COMPLAINT (Please leave blank if you wish to remain anonymous. Your comments/complaints will still be considered)		
Full Name:		
Date of Submission:		
Contact Information: (Please provide necessary information based on how you wish to be contacted) By mail: By telephone: By e-mail:		
Indicate your purpose: <input type="checkbox"/> Comment <input type="checkbox"/> Complaint Recorded By : <input type="checkbox"/> Person submitting complaint <input type="checkbox"/> Other (please specify who):	Signature confirming receipt of completed Grievance Form:	
PLEASE DESCRIBE YOUR COMPLAINT BRIEFLY:		
Date of Incident Regarding Complaint: <input type="checkbox"/> One time incident/grievance (Date) <input type="checkbox"/> Happened more than once (how many times?.....) <input type="checkbox"/> On-going (currently experiencing problem)		
What would you propose to resolve the problem? (Continue on the back of the sheet if required):		
STATUS OF COMPLAINT (This section will be filled by SPV)		
Complaint Logged (Y/N)	Date of submission:	Date of submission:
Date of Response sent:	Complaint closed (Y/N):	Close out date and signature:

GRIEVANCE MECHANISM PROCEDURE

APPENDIX 2

GRIEVANCE REGISTER FORM

GRIEVANCE MECHANISM PROCEDURE

GRIEVANCE REGISTER FORM										
ID Code	Submission date	Receipt date	Complainant Name	Grievance Title	Grievance Description	Recommended Action	Action Taken	Response of complainant	Closure Date	Status of the Complaint

GRIEVANCE MECHANISM PROCEDURE

APPENDIX 3

GRIEVANCE ACTION FORM

GRIEVANCE MECHANISM PROCEDURE

GRIEVANCE ACTION FORM		
ID Code		
Information about the complainant		
Date of grievance submission		
Describe all the details relevant to the complaint:		
Describe all the details relevant to the complaint:		
Describe all the details relevant to the complaint:		
Identify preventive action (if required):		
Decision of the measures to be taken by	Name:	Signature and date:
Person responsible for corrective action	Name:	Signature and date:
Completion by	Name:	Signature and date:
Verification by		