



modern
AMBALAJ

modern
KARTON

eren
PERAKENDE

MODERN OLUKLU
MUKAVVA AMBALAJ
INDUSTRY AND
TRADE INC.

MODERN KARTON
INDUSTRY AND
TRADE INC.

EREN PERAKENDE
VE TEKSTİL INC.

WORKING CAPITAL FACILITY PROJECT

For Three Affiliate Companies of Eren Holding

STAKEHOLDER ENGAGEMENT PLAN (SEP)

(Plan No: ER-PLN-SOC-SEP-001)



ASIAN INFRASTRUCTURE
INVESTMENT BANK



Kalkınma

Türkiye Kalkınma ve Yatırım Bankası A.Ş.

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PROJE MÜŞAVİRLİK MÜHENDİSLİK
TİCARET LTD. ŞTİ.

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Abbreviations

AIIB	Asian Infrastructure and Investment Bank
Aol	Area of Influence
CMR	Complaint Management Representative
EIA	Environmental Impact Assessment
ER	Eren Holding
Eren Perakende	Eren Perakende ve Tekstil Inc.
ERP	Emergency Response Plan
ESHS	Environmental, Social and Health and Safety
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESS	Environmental and Social Standard
EU	European Union
GMP	Grievance Mechanism Procedure
HR	Human Resources
HS	Health and Safety
HSE	Health and Safety and Environment
HSSE	Health, Safety, Security and Environment
ICP	Informed Consultation and Participation
IFC	International Finance Corporation
IFC	International Finance Corporation
ILO	International Labour Organization
KPI	Key Performance Indicator
MGS	MGS Proje Müşavirlik Mühendislik Ticaret Ltd. Şti. /MGS Project Consultancy Engineering Trade Limited Co.
Modern Ambalaj	Modern Oluklu Mukavva Ambalaj Industry and Trade Inc.
Modern Karton	Modern Karton Industry and Trade Inc.
MSDS	Material Safety Data Sheet
NGO	Non-Governmental Organization
NSSC	Neutral Sulfite Semi Chemical
OHS	Occupational Health and Safety
OHSMP	Occupational Health and Safety Management Plan
OIZ	Organized Industrial Zone
PLN	Plan
PRC	Procedure
Project Company	Modern Oluklu Mukavva Ambalaj Industry and Trade Inc., Modern Karton Industry and Trade Inc. and Eren Perakende ve Tekstil Inc.
PS	Performance Standard
SEP	Stakeholder Engagement Plan
SOC	Social
SRS	Social Responsibility Staff
The Project	Three Affiliate Companies of Eren Holding / Working Capital Facility Project
TKYB	Türkiye Kalkınma ve Yatırım Bankası A.Ş./ Development and Investment Bank of Turkey
UNESCO	United Nations Educational, Scientific and Cultural Organization
WB	World Bank
WHO	World Health Organization

1. INTRODUCTION

This Stakeholder Engagement Plan (“SEP”) is prepared for the following three affiliate companies of Eren Holding to complete the studies and documentation for the management of the potential environmental and social impacts of the Working Capital Facility Project.

-  Modern Oluklu Mukavva Ambalaj Industry and Trade Inc. (Modern Ambalaj)
-  Modern Karton Industry and Trade Inc. (Modern Karton)
-  Eren Perakende ve Tekstil Inc. (Eren Perakende)

Studies and documents related to the management of Environmental and Social Impacts have been carried out for the three companies mentioned above in accordance with the National Environmental Legislation, Turkish Development and Investment Bank (TKYB) Environmental and Social Policy, AIIB Environmental and Social Standards and IFC Performance Standards (“PSs”). In addition to these, all works carried out within the scope of Modern Ambalaj and Modern Karton companies (except for Eren Perakende) were carried out in compliance with the World Bank’s Environmental and Social Standards. (ESSs). The reference number of this Management Plan is ER-PLN-SOC-SEP-001.

1.1 Background

Eren Holding and its affiliates, operating in the fields of energy, paper, packaging, retail, cement and tourism, which started its commercial life in the textile sector in 1969, are considered one of the largest groups in the country with their equity-based growth strategy. The sectors within the scope of the project are paper, packaging, retail and textile.

Modern Ambalaj

Modern Oluklu Mukavva Ambalaj started its first production at its Çorlu Facility established in 1997. After its facilities in Bursa, Manisa, Istanbul, Gebze and Eskişehir are opened, it became the largest company in Turkey with its annual production capacity of 565,000 tons.

Table 1-1. Capacity of Existing Facilities

Existing Facilities	Total Area (m ²)	Total Closed Area (m ²)	Capacity (ton/year)
Çorlu	90,000	44,000	170,000
Gebze	34,400	33,000	85,000
Eskişehir	46,000	27,000	85,000
Manisa	50,000	28,000	85,000
Kayseri	35,000	22,500	85,000
Bursa	17,500	14,500	55,000
Existing Total Capacity	272,900	169,000	565,000

In addition to the capacity increase expected to be completed in 2020 regarding the Kayseri factory, the company, which researches new investment opportunities in İstanbul-Hadımköy, İzmit-Adapazarı and Bursa, aims to have a capacity of 1.000.000 tons in 2025 in line with these projects.

Corrugated cardboard and boxes are produced by using various papers and starch as raw materials at the facility. There is no paper production at the facility, the paper used in the production of corrugated cardboard is outsourced.

Modern Karton

Paper Group of Eren Holding is the leader of the sector with Modern Karton facility, Turkey's largest corrugated fiberboard producer, and Eren Kağıt Industry and Trade Inc. (Eren Kağıt) operating at various locations Turkey-wide, collecting and bailing wastepaper. Environmentally conscious growth policy of Eren Holding is supported by Eren Kağıt that collects wastepaper and Modern Karton that carries out entire production utilizing such wastepaper collected. Modern Karton has increased annual production capacity above 1,000,000 ton thanks to the investments made in recent years and started exporting part of its output to foreign markets, contributing to the economy of the country.

Modern Karton is located in Tekirdağ Province Ergene District Ergene-2 OIZ on an area of 561,640 m², in a closed area of 210.452 m². The facility operates in Kraftliner, NSSC (Neutral Sulfite Semi Chemical), Fluting, Testliner, White Testliner, Barrier Paper, Packaging Waste Recovering (Paper-Cardboard), Steam Energy, Electric Energy.

Paper production at the facility is made using wastepaper. Thus, while producing the needed paper, it also contributes to the recovering of packaging waste, which is an environmental waste. This situation, which is extremely beneficial in terms of recovering paper packaging waste, has also increased imports due to the lack of wastepaper in Turkey.

All the wastewater released in the paper machine, pulp preparation and chemical preparation department is collected within the pulp preparation department and passed through the DAF (Dissolved Air Flotation) system and sent to the treatment plant. In addition to industrial wastewater, domestic wastewater such as sinks, dining halls, toilets, etc. used by the personnel also comes to the treatment plant.

Eren Perakende

Eren Perakende, which started its commercial life in the textile sector in 1975, carries out the production of world brands that it holds license with advanced technology. It sells the products it produces in the domestic market and also exports it abroad with its retail stores. Eren

Perakende has the certificate of authorization to produce organic products using ecological methods.

The facility, where combed cotton yarn production, yarn (bobbin) dyeing and fabric dyeing processes of Eren Perakende are carried out, consists of three main units: cotton yarn production unit, yarn dyeing unit and fabric dyeing unit. In addition, there is a waste treatment unit established for the treatment of wastewater originating from the operation.

The facility located in Tekirdağ Province, Ergene District, Ergene-2 Organized Industrial Zone, continues its activities on an area of 125,558.46 m², in a closed area of 59,160 m². The closest settlement to the activity area is Ulaş Neighborhood, which is approximately 2 km from the facility area.

The four main processes given below are carried out in the facility owned by Eren Perakende.

- 🔴 Combed Cotton Yarn Production Process
- 🔴 Yarn (Bobbin) Dyeing Process
- 🔴 Fabric Dyeing Process
- 🔴 Fabric Washing Process

The headquarters of all facilities within the scope of the project are at Ataşehir Avenue, Metropol İstanbul, C-2 Blok, 34758, İstanbul, Turkey, which is also the headquarters of Eren Holding. The location, activities, EIA Status, Environmental Permit and License Issues of the facilities of Modern Ambalaj, Modern Karton and Eren Perakende are given in Table 1-2.

Stakeholder Engagement Plan

Table 1-2. Summary of Facilities

Affiliates	Location	Facility Address	Activity Carried Out	EIA Status	Environmental Permit and License Issue
Modern Ambalaj	Çorlu	Ulaş Neighborhood Omurtak Küme Evler No:25 Ergene 2 OSB Ergene/Tekirdağ	Production of corrugated cardboard and boxes using various papers and starch as raw materials	Out of Scope	<ul style="list-style-type: none"> • Air Emission • Wastewater Discharge
	Gebze	Balçık Neighborhood 3257 Street No:1 Gebze/Kocaeli			
	Eskişehir	EOSB 21 st Street No:33 Odunpazarı/Eskişehir			
	Manisa	İnönü Neighborhood Eren Street. No:2 Muradiye San.Böl.Yunusemre/Manisa			
	Kayseri	OSB 2 nd Street. No:3 Melikgazi/Kayseri			
Modern Karton	Çorlu	Ulaş OSB Neighborhood. D100Street No: 77/33 Ergene / Tekirdağ	Paper production using wastepaper	<p>EIA Positive Decisions</p> <ul style="list-style-type: none"> • Decision No:4310, dated 04.10.2016 • Decision No:6093, dated 12.11.2020 <p>EIA Not Required Decisions</p> <ul style="list-style-type: none"> • Dated 05.08.2021 • Dated 18.12.2020 • Dated 29.12.2015 	<ul style="list-style-type: none"> • Air Emission • Wastewater Discharge • Packaging Waste Recovering • Non-Hazardous Waste Recovering
Eren Perakende	Çorlu	Omurtak Neighborhood Asfalt Boyu Küme Evler No:6 Ulaş Çorlu/Tekirdağ	<p>Combed Cotton Yarn Production</p> <p>Yarn (Bobbin) Dyeing</p> <p>Fabric Dyeing</p> <p>Fabric Washing</p>	<p>EIA Positive Decisions</p> <ul style="list-style-type: none"> • Decision No:4476, dated 30.12.2016 	<ul style="list-style-type: none"> • Air Emission • Wastewater Discharge

Except for the Gebze Facility of Modern Ambalaj, all facilities are within the boundaries of the Organized Industrial Zone. The closest settlements to the facilities are listed in Table 1-3 with their distances and directions.

Table 1-3. Nearest Settlements and Distances to the Project Area

Facility	The Closest Settlement	Distance (m)	Direction	Population			
				Male	Female	Total	
Modern Ambalaj	Çorlu	Kırgöz	1,250	West	621	609	1,230
		Ulaş	100	East	3,838	3,171	7,009
	Gebze	Pelitli	2,000	East	1,104	975	2,079
		Balçık	1,800	North-northwest	680	606	1,286
	Eskişehir	Sevinç	1,800	North	634	595	1,229
		Yassıhöyük	3,200	Northwest	81	76	157
		Kanlıpınar	3,800	South-southwest	127	112	239
	Manisa	Muradiye	30	Northwest	16,524	16,817	33,341
		Karaali	2,500	North-northwest	307	288	595
		Güzelyurt	1,150	East-southeast	10,987	11,294	22,281
	Kayseri	Tınaztepe	1,100	Nort	5,843	5,757	11,600
		Kocatepe	1,750	Northeast	5,393	5,405	10,798
Sakarya		1,800	Northeast	4,852	4,829	9,681	
Modern Karton	Çorlu	Kırgöz	550	West	621	609	1,230
		Ulaş	250	East	3,838	3,171	7,009
Eren Perakende	Çorlu	Ulaş	1,150	North-northwest	3,838	3,171	7,009

The location of the Project Area is presented below in between Figure 1-1 and Figure 1-5.



Figure 1-1. Modern Ambalaj Çorlu Facility, Modern Karton and Eren Perakende locations and nearest settlements



Figure 1-2. Modern Ambalaj Gebze Facility location and nearest settlements



Figure 1-3. Modern Ambalaj Eskişehir Facility location and nearest settlements

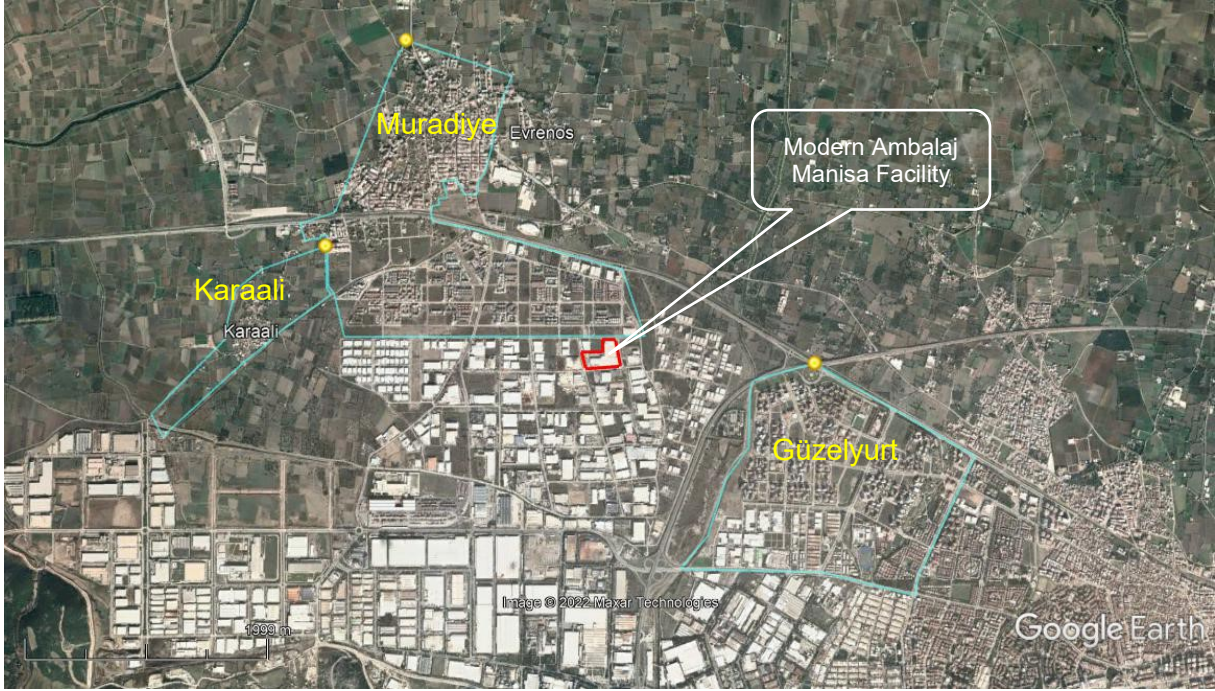


Figure 1-4. Modern Ambalaj Manisa Facility location and nearest settlements



Figure 1-5. Modern Ambalaj Kayseri Facility location and nearest settlements

In the Regulation on Industrial Air Pollution Control, the area of influence (AoI) of the facility is defined as the area with a radius of 50 (fifty) times the chimney heights determined according to the principles given in Annex-4 of this regulation, starting from the center of the emissions. In facilities where the effective height of emissions from the ground ($\square h+h$) is less than 30 m, the AoI of facility is a square-shaped area with a side length of 2 km.

In line with the emission reports of seven facilities within the scope of the project, stack lengths were examined. The lengths of the stacks in the facilities vary between 31.8 and 2.4 meters. The longest stack is the process chimney at the Modern Karton Facility. In this respect, since the length of the chimney is less than 30 meters, the AoI of the facilities should be a square with at least one side length of 2 km (4 km²).

The AoI of the project have been determined as circular areas with a radius of 2 km (12.57 km²) in order to include the nearest settlements. Thus, AoIs of facilities were determined which are approximately three times larger than the minimum impact area defined in the Regulation on Industrial Air Pollution Control. Since the Modern Karton Facility and the Modern Ambalaj Çorlu Facility are adjacent, it was deemed more appropriate to consider the impact area as a circular area with a radius of 3 km. The AoI of the facilities is given in the figures below.

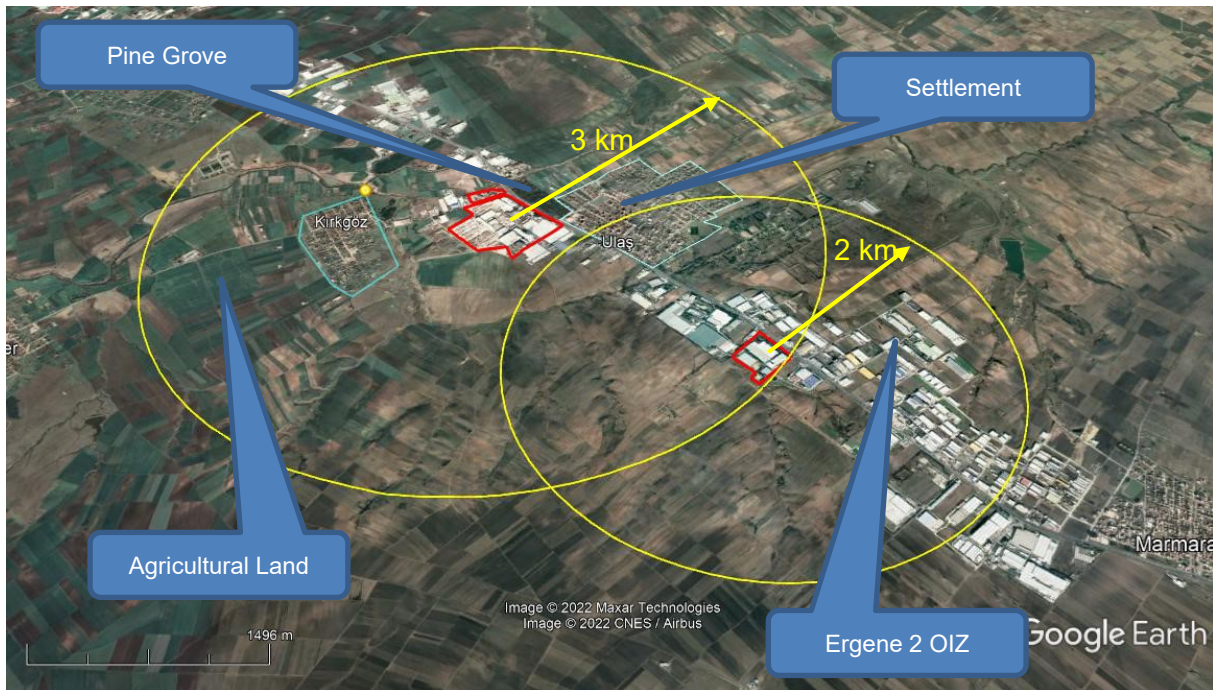


Figure 1-6. AoI of Modern Karton and Modern Ambalaj Çorlu Facilities

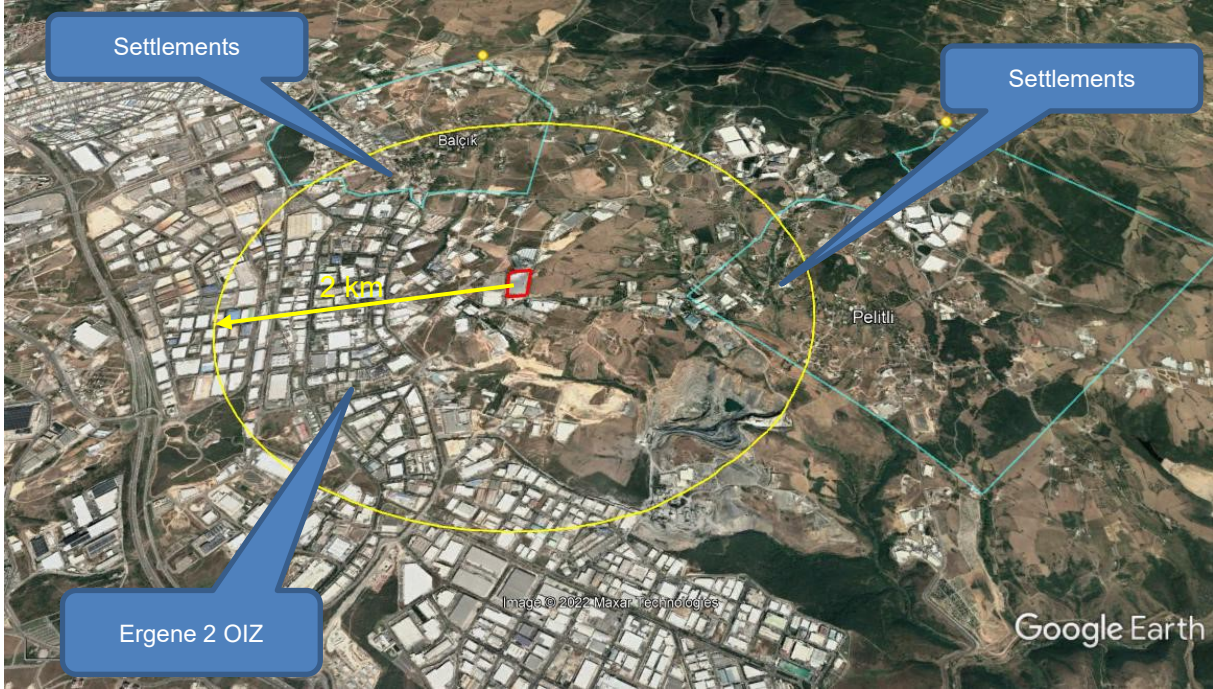


Figure 1-7. Aol of Modern Ambalaj Gebze Facility

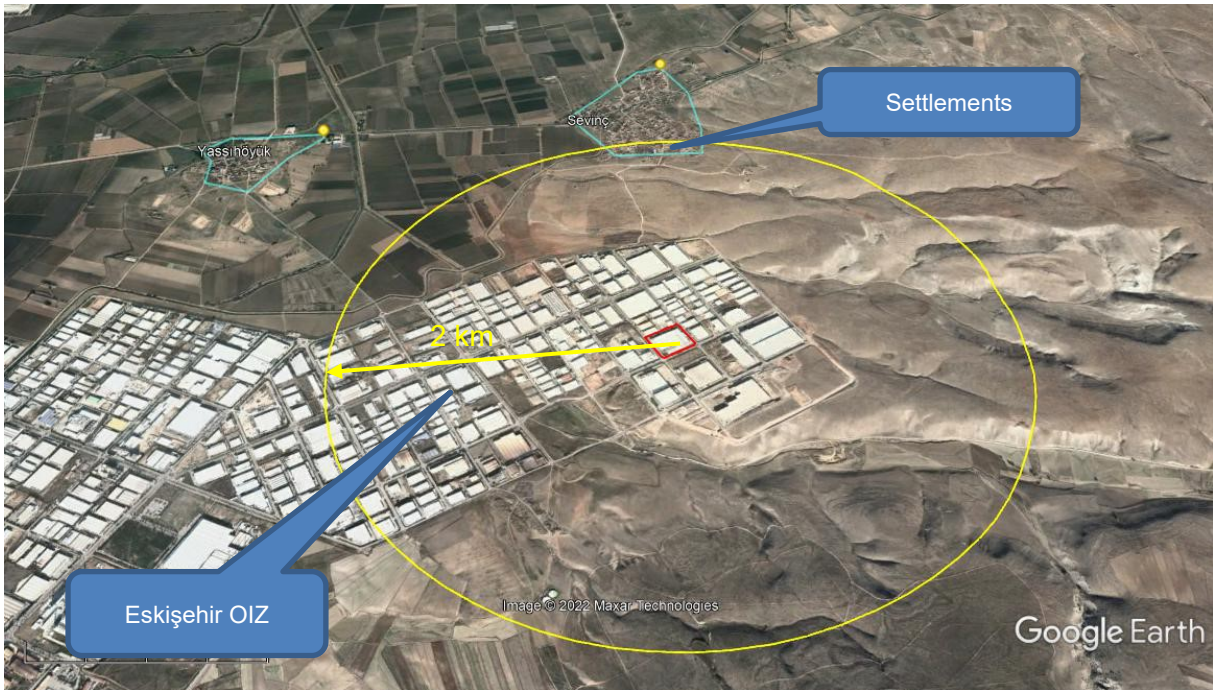


Figure 1-8. Aol of Modern Ambalaj Eskişehir Facility



Figure 1-9. Aol of Modern Ambalaj Manisa Facility



Figure 1-10. Aol of Modern Ambalaj Kayseri Facility

1.2 Scope

This Plan is applicable to all activities of the Project, including those associated facilities and all Contractors during operation phases of the Project. All facility employees and contractors shall work in compliance with the related requirements and standards that have been set out in this Plan.

This Stakeholder Engagement Plan consists of a formal management system to establish and maintain a reliable communication with stakeholders of the Project during the lifetime of the Project. It should be updated periodically as stakeholder communication needs change.

This Plan is a part of the Management Plans developed for the Project. This Plan has overlaps and cross-linkages to Grievance Mechanism Procedure (GMP) (ER-PRC-SOC-GMP-001) which is applied to all internal direct and indirect workers, customers, and external stakeholders, and the Environmental and Social Management Plan with the reference number of ER-PLN-HSSE-ESMP-001 particularly concerning the contractor's activities.

1.3 Purpose

The goal of this document is to identify all stakeholders and their interests to the Project and to lay out the procedures and principles to create an effective communication and improve engagement with the stakeholders.

The purpose of this Plan is to:

- Identify all stakeholders and their interests to the Project,
- Set out applicable management interfaces,
- Define roles and responsibilities regarding stakeholder engagement,
- Outline the applicable Project Standards relevant to this Plan,
- Define Project commitments and procedures relevant to this Plan,
- Define monitoring requirements of stakeholder engagement activities and
- Define training requirements,
- Set out references for supporting materials and information,
- Outline alternative communication tools in case of pandemic situations.

This Plan also aims to create long-term relations between the Project and local communities based on mutual trust and transparency. By implementation of this SEP, stakeholders will be able to access to the information about the Project, its investments, installation works and operation activities in a timely manner. Data will be fully understandable for the targeted groups and access to consultation locations is available for all.

This SEP aims to ensure vulnerable groups have been identified and these groups have been included in ongoing consultation and engagement process and, to ensure that all relevant parties have been engaged and no group has been excluded. In this content, this SEP aims to be a useful tool for management of communication between the Project and its stakeholders.

The other goal of this SEP is to describe the most effective methods by:

- keeping the management of installation and operation fully informed on the issues related to external affairs and concerns,
- establishing an environment in which engagement capacities and cultural norms of each relevant group shall be respected within the scope of methods to be developed for comprehending stakeholder issues and concerns, and
- understanding the concerns of stakeholders and establishing fair, transparent and clear dialog with them based on their concerns.

1.4 Definitions

Project Affected People: Any person who, as a result of the implementation of a project, loses the right to own, use, or otherwise benefit from a built structure, land (residential, agricultural, or pasture), annual or perennial crops and trees, or any other fixed or moveable asset, either in full or in part, permanently or temporarily.

Stakeholder: All individuals, groups, organizations, and institutions interested in and potentially affected by a project or having the ability to influence a project.

Internal Stakeholders: Groups or individuals within a business who work directly within the business, such as employees and contractors.

External Stakeholders: Groups or individuals outside a business who are not directly employed or contracted by the business but are affected in some way from the decisions of the business, such as customers, suppliers, community, NGOs and the government.

Vulnerable People: People who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.

Grievance: An issue, complaint and/or dispute that has escalated to the point where it requires third party intervention or adjudication to help resolve it. Typically, grievances are thought of as involving the community as a whole and have been unresolved for some time in a formal manner.

Complaint: A notification provided by a community member, group or institution to the Project that they have suffered some form of offense, detriment, impairment or loss as a result of business activity and/or contractor behavior.

Grievance Mechanism: A formal way that provides a clear and transparent framework for addressing, assessing, and resolving community complaints concerning the performance or behavior of the company, its contractors, or workers.

1.5 Key Principles

During the implementation of this Plan, following principles will be followed to achieve an effective stakeholder engagement.

- **Transparency:** All the grievances are considered in the scope of the grievance procedure in a clear and understandable manner.
- **Impartiality:** A fair and equal grievance procedure will be applied for every complaint or concern submitted by individually or as a community.
- **Confidentiality:** Anonymous complaints can be submitted and resolved. Raising a complaint will not require personal information or physical presence.
- **Accessibility:** All employees and stakeholders can raise a comment or submit a grievance easily.
- **Culturally Appropriate:** A complaint or an issue raised by local communities are considered in the manner of regional concerns and convenient resolution process will be taken.

2. ROLES AND RESPONSIBILITIES

The roles and their responsibilities are defined below in Table 2-1 for implementation of this SEP.

Table 2-1. Roles and Responsibilities

Roles	Responsibilities
General Manager/ Board of Manager	<ul style="list-style-type: none"> ➤ Ensures this SEP will be implemented during the lifetime of the Project, ➤ Determines the policies and targets regarding the social communication and stakeholder engagement, ➤ Appoints the Operational Manager and ensures the Operational Manager is aware of his / her responsibilities, ➤ Evaluates the reports provided by Operational Manager and ensures necessary actions were taken, ➤ Provides necessary resources for proper implementation of this SEP and GMP.
Operational Manager	<ul style="list-style-type: none"> ➤ Coordinates with parties for proper implementation of this SEP, ➤ Ensuring that the grievance mechanism is implemented, ➤ Providing necessary resources for the implementation of the grievance mechanism procedure, ➤ Makes periodic inspections of the performance of Contractors of its operations during the installation phase, ➤ Reports to the General Manager/ Board of Manager about performance of the system, ➤ Ensures national and international legislations / guidelines which are applicable to the Project activities are identified and tracked, ➤ Works in cooperation with other departments to determine targets for Environmental, Social and HS and resource efficiency issues, ➤ Makes the final decision concerning internal / external grievances (if needed) in the light of the assessments of Social Responsibility Staff of the Project.
Social Responsibility Staff (SRS)	<ul style="list-style-type: none"> ➤ Records all formal and informal engagement activities with local communities in Stakeholder Management System, ➤ Keeps records of the types of leaflets, brochures, newsletters prepared and distributed, by location and this detail will be inserted to stakeholder engagement quarterly reports, ➤ Monitors and records the social responsibility activities carried out in the scope of Project and these records will be inserted to stakeholder engagement quarterly reports, ➤ Forms relationships with the Project stakeholders, ➤ Organizes stakeholder meetings to collect the responses to grievances actively as required, ➤ Provides regular reporting back to the community on the management related to community grievances, ➤ Determines and provides the necessary training materials for employees,

Roles		Responsibilities
		<ul style="list-style-type: none"> ➤ Keeps the records of the complaints / suggestions in the Grievance Database with details (by who, date, status etc.), ➤ Shows best efforts to resolve all complaints in one month, ➤ Searches the causes of the grievance and the social incidents that cause, injuries, delays or stoppage in the work and disputes among the Project and communities, ➤ Monitors all complaints and ensures that all complaints are resolved and closed, ➤ Follows the results of complaint and report on a weekly, monthly, and annual basis, ➤ Records and reports general and local employment rates and complaints, which are received or observed verbally, ➤ Filling out the “Complaint Register Form & Consultation Form” (see <i>Appendixes A and B</i>), ➤ Gives the feedback to the stakeholders about the results of their grievances through Complaint Register Form within 30 calendar days (complainants who have provided their names and contact info will be notified within 5 days that the grievance solution process has started and after the grievance closed), ➤ Implements the SEP and GMP.
Health and Safety and Environment (HSE) Expert¹	Occupational Health and Safety (OHS) Expert²	<ul style="list-style-type: none"> ➤ Determines the national and international legislations that are applicable to the Project activities and informs the Operational Manager, ➤ Determines the OHS hazards in accordance with the actions, potential mitigation measures and measures to eliminate any potential social grievances, ➤ Ensures that all provisions in the Contractor engagements regarding environment, social and HS requirements as per the project standards during the installation stage and to audit the performance of the Contractors, ➤ Provides answers to the OHS grievances raised by employees, the local community, and local institutions,
	Environmental Engineer²	<ul style="list-style-type: none"> ➤ Determines the environmental impacts in accordance with the actions, potential mitigation measures and measures to eliminate any potential social grievances, ➤ Provides answers to the environment and social grievances raised by employees, the local community, and local institutions, ➤ Helps SRS for keeping the record of the complaints/suggestions in the Grievance Database with details, ➤ Supports SRS on the first evaluation of the relevance of grievances collected, ➤ Supports SRS for recording all formal and informal engagement activities, ➤ Determines corrective measures, if necessary,

¹ It is currently valid for the Gebze, Eskişehir and Manisa Facilities of Modern Ambalaj.

² It is currently valid for the Çorlu and Kayseri Facilities of Modern Ambalaj, Modern Karton and Eren Perakende.

Roles	Responsibilities
	<ul style="list-style-type: none"> ➤ Checks the Environmental records and performance reviews of Contractors.
Contractors / Subcontractors	<ul style="list-style-type: none"> ➤ Contractors / Subcontractors are responsible not to make any commitment in their interaction with the stakeholders beyond their competence, ➤ Follows the rules listed in this SEP and other relevant Management System documentation of the Project. ➤ Complying with the requirements and standards of the SEP and grievance mechanism procedure.

3. PROJECT STANDARDS

This SEP is prepared based on national and international requirements and standards. During the lifetime of the Project, “Project Standards” will be followed which consist of:

- World Bank Group Standards
- applicable Turkish Standards and Turkish EIA requirements,
- other commitments to and requirements of Turkish Government authorities,
- AIIB Environmental and Social Framework,
- Turkish Development and Investment Bank (TKYB) Environmental and Social Policy,
- applicable international standards and guidelines,
- interim advice on “Safe Stakeholder Engagement in the context of COVID-19” by IFC.

3.1 Turkish Standards and Requirements

The Constitution of The Republic of Turkey

The main document of the national requirements and standards is “The Constitution of The Republic of Turkey” which comprises articles related to human and labor rights, peace of the community and stakeholder engagement of the Project. These articles are as follows:

X. Legal Egalitarianism

ARTICLE 10. Everyone is equal before the law regardless of distinction as to language, race, color, sex, political opinion, philosophical belief, religion or any similar reasons. Men and women have equal rights which are the obligation to be ensured exist in practice by the government. Measures taken for this purpose shall not be interpreted as contrary to the principle of equality.

II. Prohibition of Forced Labor

ARTICLE 18. Nobody can be forced to work. Drudgery is prohibited. Employers are not allowed to take deposits of money from workers and retain ID Cards.

VII. Freedom of Thought and Opinion

ARTICLE 25. Everyone has the right to freedom of thought and opinion. For whatever reason and purpose, nobody can be forced to explain their thoughts and opinions; cannot be condemned and accused of their opinions.

VIII. Freedom of Expression and Dissemination of Thought

ARTICLE 26. Everyone has the right to express and disseminate his thoughts and opinion by speech, in writing or pictures or through other media, individually or collectively. This right includes the freedom to receive and give information and ideas without interference from official authorities.

VII. Right of Petition

ARTICLE 74. Turkish citizens and foreign residents have the right to raise requests and complaints concerning themselves or the public in writing to the competent authorities and the Turkish Grand National Assembly.

Law on The Right to Information

Everyone has the right to give information on the activities of public institutions and professional organizations, which qualify as public institutions. The procedure and the basis of the right to information according to the principles of transparency, equality and impartiality are regulated in the *Law on Right to Information* numbered 4982 and issued on 24.10.2003 with the official gazette number of 25269.

Law on The Use of Right to Petition

ARTICLE 3. Everyone has the right to apply in writing to the Turkish Grand National Assembly and the component authorities concerning the requests and complaints concerning themselves or the public according to this article of the *Law on the Use of Right to Petition* No. 4982 which was issued on 01.11.1984 with the official gazette number of 3071.

Labour Law

The Principle of Equal Treatment

ARTICLE 5. Discrimination in employment is prohibited. No discrimination based on language, race, sex, political opinion, philosophical belief, religion and sex or similar reasons is permissible in the employment relationship. Except for biological reasons or reasons related to the nature of the job, the employer must not make any discrimination, either directly or indirectly, against an employee in the conclusion, conditions, execution and termination of his/her employment contract due to the sex or maternity of employee. The differential remuneration for similar jobs or work of equal value is not permissible.

The Worker's Right of the Immediate Termination for the Valid Reason

ARTICLE 24. Whether or not the duration is fixed, the worker can terminate before the end of the contract or without waiting for the notice period. The employment contract is not subject to any special form unless the contrary is stipulated by the Law.

Overtime Work

ARTICLE 41. Overtime work can be done for reasons such as the general benefits of the country and increased production. Overtime work requires the employee's consent.

ARTICLE 42. Compulsory overtime work is only allowed for all or some of the employees in case of a breakdown, whether actual or threatened or in the case of urgent work to be performed on machinery, tools or equipment or in case of force majeure. Compulsory overtime work shall not exceed the time necessary to enable the normal operating of the establishment.

Working Age and Prohibition of Child Employment

ARTICLE 71. The employment of children under the age of fifteen is prohibited. However, children who have reached the age of fourteen and have completed their primary education may be employed in light labor that will not hinder their physical, mental or moral development.

Unions and Collective Agreements Law

Workers are covered by the legislation numbered of 6356 (dated on 07.11.2012, Official Gazette No. 28460). There are four types of collective agreements regulated which are workplace collective bargaining agreement, enterprise collective agreements, group collective agreements, and framework agreements.

Environmental Law

The main law of National Environmental Legislation is the Environmental Law numbered 2872 which was issued on 11.08.1983 with the official gazette number of 18132. In this law, the Turkish Regulation on *Environmental Impact Assessment (EIA)* (Official Gazette, 17 July 2008, no 26939) is defined which includes a limited public disclosure process.

3.2 Applicable International Standards and Guidelines

International standards to be observed by the Project are the IFC Performance Standards and AIBB ESSs. Particularly, IFC: Performance Standard 1 shall be complied with as they address stakeholder engagement. Basic objectives of international standards and guidelines are as follows:

- To define project affected people and communities and other relevant parties having an effect on, having been affected by, and/or that may be affected by the activities and implementations of the Project; and to develop an appropriate procedure to identify and confirm them,
- To prepare a database comprised of the relevant stakeholder of the Project and its associated facilities and to continuously update it,
- To review this database in consultation with relevant parties,
- To provide necessary information and consultancy services to all stakeholders to facilitate their required contributions on the environmental and social issues that may affect them,
- To continuously protect respectful and constructive relations with stakeholders based on mutual confidence and honesty, and by respecting the values of the stakeholders.

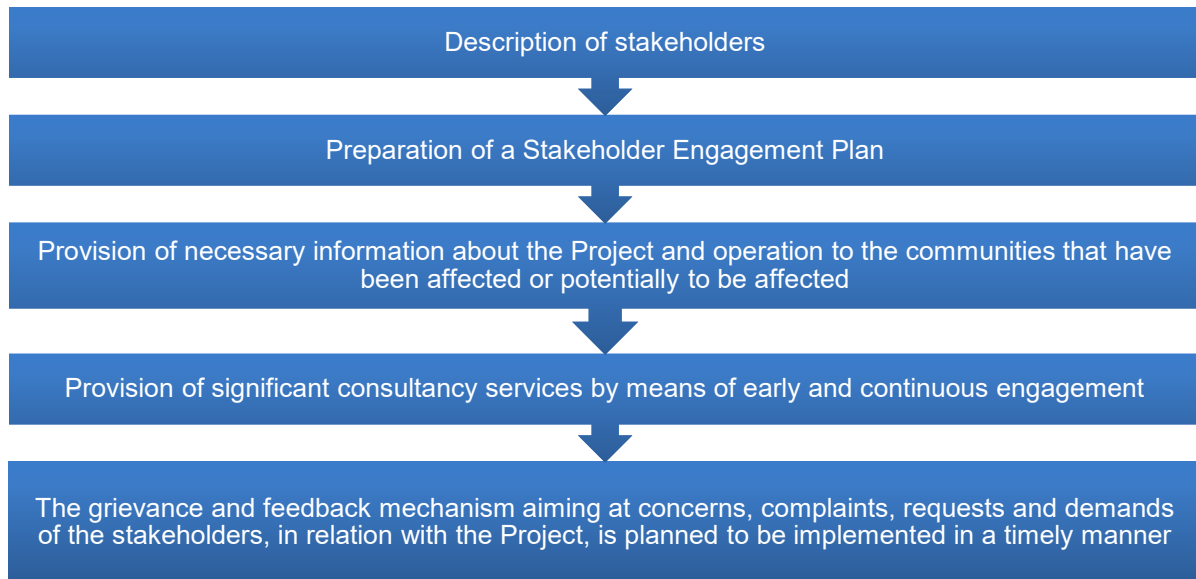


Figure 3-1. Main Requirements of International Standards and Guidelines regarding Stakeholder Engagement

3.2.1 IFC Performance Standards

The key requirements related to stakeholder engagement from IFC Performance Standard 1 can be summarized as follows:

- An Environmental and Social Management System (“ESMS”) should be prepared and implemented, and the element of stakeholder engagement should be included,
- The range of stakeholders should be identified, if affected communities may be adversely impacted, then a Stakeholder Engagement Plan should be developed and implemented.
- When applicable this SEP is to include differentiated measures to allow for the effective participation of those identified as disadvantaged or vulnerable.
- Affected Communities will be provided with access to relevant information on (i) the purpose, nature, and scale of the Project; (ii) the duration of proposed project activities; (iii) any risks to and potential impacts on such communities and relevant mitigation measures; and (iv) the envisaged stakeholder engagement process and (v) the grievance mechanism.
- A process of effective consultation will be conducted in a manner that allows affected communities to express their views on project risks, impacts and mitigation measures, and will allow for the Project owner to respond to them.
- When potentially significant adverse impacts on affected communities exist, an Informed Consultation and Participation (ICP) is to be conducted.

IFC defined “Key Concepts and Principles of Stakeholder Engagement” in its A Good Practice Handbook. The building blocks of stakeholder engagement are listed below:

- Stakeholder Identification and Analysis
- Information Disclosure
- Stakeholder Consultation
- Negotiation and Partnerships
- Grievance Management
- Stakeholder Involvement in Project Monitoring
- Reporting to Stakeholders

In Environmental and Social Framework set out by AIIB describe the stakeholder engagement as follows:

*“The Bank believes that transparency and meaningful consultation is essential for the design and implementation of a Project and works closely with its Clients to achieve this objective. Meaningful consultation is a process that begins early and is ongoing throughout the Project. It is **inclusive, accessible, timely and undertaken in an open manner**. It conveys adequate information that is understandable and readily accessible to stakeholders in a culturally appropriate manner and in turn, enables the consideration of stakeholders’ views as part of decision-making. Stakeholder engagement is conducted in a manner commensurate with the risks to, and impacts on, those affected by the Project.”*

3.2.2 World Bank Group Standards

World Bank Group Policies and Standards should also be followed. The World Bank Environmental and Social Safeguard Policies include environmental assessments of projects and other policies regarding environmental and social adverse impacts, and mitigation and prevention. Specific policies relevant to the stakeholder engagement are listed below:

- 🔥 Environmental and Social Policies
- 🔥 OP/BP 4.01 Environmental Assessment
- 🔥 2010 Access to Information Policy

OP/BP 4.01 Environmental Assessment

The main objectives and tasks of the OP/BP 4.01 Environmental Assessment are ensuring environmental and social sustainability of proposed projects, informing decision-makers about environmental and social risks and increase transparency through stakeholder participation in decision making.

2010 Access to Information Policy

The World Bank recognizes that transparency and accountability are of fundamental importance to the development process and to achieving its mission to alleviate poverty. Transparency is essential to building and maintaining public dialogue and increasing public awareness about the Bank's development role and mission. It is also critical for enhancing good governance, accountability, and development effectiveness. Openness promotes engagement with stakeholders, which, in turn, improves the design and implementation of projects and policies, and strengthens development outcomes. It facilitates public oversight of Bank-supported operations during their preparation and implementation, which not only assists in exposing potential wrongdoing and corruption, but also enhances the possibility that problems will be identified and addressed early on.

4. STAKEHOLDER ENGAGEMENT

4.1 Early Engagement

The e-mail address and contact number of the central office are presented on the website of Eren Holding (<https://www.erenholding.com.tr/en/contact/address-information>). The communication / consultation form should be presented on the website of the three affiliate companies of Eren Holding.

There is no public participation meeting held although the activities carried out within the scope of the Modern Karton and Eren Perakende are included in the Annex-I List, which requires EIA Report in line with the Turkish Environmental Impact Assessment (EIA) Regulation dated 25.11.2014 and numbered 29186. The project site is located within the borders of Ergene 2 Organized Industrial Zone, and the method regarding the EIA process to be applied for the projects planned in the Organized Industrial Zones (OIZs) is determined by the Ministry in accordance with subparagraph (c) of the 24th article of the EIA Regulation. In this respect, no Public Participation Meeting was held regarding the project. In addition, due to the "Out of Scope Decision" in the EIA Regulation for other facilities, no public participation meeting was held.

MGS conducted interviews with Ergene 2 OIZ Directorate Accounting Supervisor, Pelitli and Balçık Neighborhood Mukhtars, and workers of Modern Ambalaj Çorlu Facility, Modern Karton and Eren Perakende on 29th and 30th of March 2022 for Environmental and Social Consultancy Services to assess the stakeholder engagement and relations, specific grievance, and requests. In these interviews, no concerns are raised.



Ergene 2 OIZ Directorate Visit

Interview with Modern
Ambalaj Çorlu Facility
EmployeesInterview with Employees of Eren
Perakende

Interview with Pelitli Neighborhood Mukhtars



Interview with Balçık Neighborhood Mukhtars

Figure 4-1. Stakeholder interviews conducted on 29-30.03.2022

4.2 Stakeholder Identification

All stakeholder groups that have an interest in, that might be affected by, or that might have an influence on the outcome of the Project were identified during the early engagement of the Project. Stakeholder identification was completed and involved screening a wide array of potential stakeholders, including institutions, associations, NGOs and other informal groups, that should be involved in the engagement process.

The stakeholders were then classified according to their type and status based on the profile that the stakeholder has within the social structure of the context. The identified stakeholders are presented between Table 4-1 and Table 4-5.

Table 4-1. Stakeholder Groups of Modern Ambalaj Çorlu Facility, Modern Karton and Eren Perakende

Stakeholder Groups	Stakeholder Type	
	Affected	Interested
External Stakeholders		
Local Communities		
Muhtars and residents of nearest settlements:		
<ul style="list-style-type: none"> ➤ Ulaş Neighborhood ➤ Kırkgöz Neighborhood 	✓	✓
Government		
<ul style="list-style-type: none"> ➤ Tekirdağ Metropolitan Municipality ➤ District Governorship of Ergene ➤ Ergene 2 OIZ Directorate ➤ Tekirdağ Provincial Directorate of Environment, Urbanization and Climate Change ➤ Municipality of Ergene ➤ Municipality of Çorlu 	✓	✓
NGOs		
<ul style="list-style-type: none"> ➤ Ergene City Council ➤ Çorlu City Council ➤ Ergene Industrial and Businessmen Association 	x	✓
Local Media:		
<ul style="list-style-type: none"> ➤ Ergene Haber 		
Internal Stakeholders		
<ul style="list-style-type: none"> ➤ Employees of the Modern Ambalaj Çorlu Facility, Modern Karton and Eren Perakende 	✓	✓

Table 4-2. Stakeholder Groups of Modern Ambalaj Gebze Facility

Stakeholder Groups	Stakeholder Type	
	Affected	Interested
External Stakeholders		
Local Communities		
Muhtars and residents of nearest settlements:		
<ul style="list-style-type: none"> ➤ Pelitli Neighborhood ➤ Balçık Neighborhood 	✓	✓
Government		
<ul style="list-style-type: none"> ➤ Kocaeli Metropolitan Municipality ➤ District Governorship of Gebze ➤ Gebze OIZ Directorate ➤ Kocaeli Provincial Directorate of Environment, Urbanization and Climate Change ➤ Municipality of Gebze 	✓	✓

Stakeholder Groups	Stakeholder Type	
	Affected	Interested
NGOs		
<ul style="list-style-type: none"> ➤ Gebze City Council ➤ Gebze Industrial and Businessmen Association ➤ Gebze Branch of Independent Industrialists and Businessmen's Association Local Media: <ul style="list-style-type: none"> ➤ Gazete Gebze ➤ Gebze Yenigün Gazetesi 	x	✓
Internal Stakeholders		
<ul style="list-style-type: none"> ➤ Employees of the Modern Ambalaj Gebze Facility 	✓	✓

Table 4-3. Stakeholder Groups of Modern Ambalaj Eskişehir Facility

Stakeholder Groups	Stakeholder Type	
	Affected	Interested
External Stakeholders		
Local Communities		
Muhtars and residents of nearest settlements: <ul style="list-style-type: none"> ➤ Sevinç Neighborhood ➤ Yassihöyük Neighborhood ➤ Kanlıpınar Neighborhood 	✓	✓
Government		
<ul style="list-style-type: none"> ➤ Eskişehir Metropolitan Municipality ➤ District Governorship of Odunpazarı ➤ Eskişehir OIZ Directorate ➤ Eskişehir Provincial Directorate of Environment, Urbanization and Climate Change ➤ Municipality of Odunpazarı ➤ Eskişehir Chamber of Commerce 	✓	✓
NGOs		
<ul style="list-style-type: none"> ➤ Odunpazarı City Council ➤ Eskişehir Industrial and Businessmen Association ➤ Odunpazarı Culture and Solidarity Association ➤ Eskişehir Branch of Independent Industrialists and Businessmen's Association Local Media: <ul style="list-style-type: none"> ➤ 2 Eylül Gazetesi ➤ ES Gazete ➤ Eskişehir Anadolu Gazetesi 	x	✓

Stakeholder Groups	Stakeholder Type	
	Affected	Interested
Internal Stakeholders		
<ul style="list-style-type: none"> ➤ Employees of the Modern Ambalaj Eskişehir Facility 	✓	✓

Table 4-4. Stakeholder Groups of Modern Ambalaj Manisa Facility

Stakeholder Groups	Stakeholder Type	
	Affected	Interested
External Stakeholders		
Local Communities		
Muhtars and residents of nearest settlements:		
<ul style="list-style-type: none"> ➤ Muradiye Neighborhood ➤ Karaali Neighborhood ➤ Güzelyurt Neighborhood 	✓	✓
Government		
<ul style="list-style-type: none"> ➤ Manisa Metropolitan Municipality ➤ District Governorship of Yunusemre ➤ Muradiye OIZ Directorate ➤ Manisa Provincial Directorate of Environment, Urbanization and Climate Change ➤ Municipality of Yunusemre ➤ Manisa Chamber of Commerce 	✓	✓
NGOs		
<ul style="list-style-type: none"> ➤ Yunusemre City Council ➤ Manisa Young Businessmen Association ➤ Manisa Labor Defense Association ➤ Manisa Branch of Independent Industrialists and Businessmen's Association 	x	✓
Local Media:		
<ul style="list-style-type: none"> ➤ Denge Gazetesi ➤ Manisa'da Gündem Gazetesi 		
Internal Stakeholders		
<ul style="list-style-type: none"> ➤ Employees of the Modern Ambalaj Manisa Facility 	✓	✓

Table 4-5. Stakeholder Groups of Modern Ambalaj Kayseri Facility

Stakeholder Groups	Stakeholder Type	
	Affected	Interested
External Stakeholders		
Local Communities		
Muhtars and residents of nearest settlements:		
➤ Tinaztepe Neighborhood	✓	✓
➤ Kocatepe Neighborhood		
➤ Sakarya Neighborhood		
Government		
➤ Kayseri Metropolitan Municipality		
➤ District Governorship of Melikgazi		
➤ Kayseri OIZ Directorate		
➤ Kayseri Provincial Directorate of Environment, Urbanization and Climate Change	✓	✓
➤ Municipality of Melikgazi		
➤ Kayseri Chamber of Commerce		
NGOs		
➤ Melikgazi City Council		
➤ Kayseri Industrial and Businessmen Association		
➤ Central Anatolian Industrialists' and Businessmen's Federation		
➤ Kayseri Branch of Independent Industrialists and Businessmen's Association	x	✓
Local Media:		
➤ Kayseri Anadolu Haber		
➤ Gazete Kayseri		
Internal Stakeholders		
➤ Employees of the Modern Ambalaj Kayseri Facility	✓	✓

4.3 Stakeholder Engagement Programme

The objectives of external communications are to provide continuous engagement with targeted audiences to inform about the company activities, including company performance, company development and investment plans and their implementation. The methods of communication to be utilized are summarized in the following Stakeholder Engagement Program and will include:

- Publication for public review of the Stakeholder Engagement Plan and Environmental and Social Action Plan,
- Meetings with regulatory bodies,
- Public meetings,
- Published on local municipalities' website (if available) and/or on a dedicated Sponsor's website,
- Announcements through mukhtars and locals,
- Provision of general information on noticeboards at key public locations.

The following Table 4-6 summarizes the stakeholder engagement program in terms of:

- Activity / project,
- Type of information disclosed,
- Location and dates of meetings / forms of communications,
- Stakeholder groups consulted.

In this respect, the following the stakeholder engagement program presented in Table 4-6 is developed accordingly.

Table 4-6. Stakeholder Engagement Programme

Target Group	Purpose of Engagement and Engagement Topics	Method of Engagement	Frequency	Responsible
<ul style="list-style-type: none"> ➤ All affected settlements and Interested parties ➤ Local communities ➤ Local government ➤ Local businesses and industries 	<p><u>Information Disclosure</u></p> <ol style="list-style-type: none"> 1. Purpose, start date, duration, and nature of installation and operations activities, 2. Status and effectiveness of implementation of mitigation measures related to relevant social and environmental impacts, 3. Closure options and impacts on local communities, 4. Grievance mechanism disclosure, 5. Ongoing monitoring objectives and activities, and regular reporting back to stakeholders on monitoring results, 6. Continue disclosing information via the Project company website. 	Dependent on stakeholder classification	<p>Implementation during the operation</p> <p>Review for updates every 2 years during the operation and as required</p>	SRS
<ul style="list-style-type: none"> ➤ All affected settlements and Interested parties ➤ Local communities ➤ Local government ➤ Local businesses and industries 	<p><u>External Grievance Mechanism</u></p> <ol style="list-style-type: none"> 1. Disclosure of grievance mechanism to communities, 2. Disclosure of grievances received and resolved to communities. 	Dependent on stakeholder classification	<p>Implementation during the operation</p> <p>Review for updates every 2 years during the operation</p>	SRS
<ul style="list-style-type: none"> ➤ Local business and industries ➤ All affected settlements and mukhtars ➤ Project Workers 	<p><u>Employment and Procurement Strategies</u></p> <ol style="list-style-type: none"> 1. Recruitment of employees, 2. Training of staff, 3. Procurement of supplies and services. 	Dependent on stakeholder classification	<p>Implementation during the operation</p> <p>Review for updates every 2 years during the operation and as required</p>	SRS

Target Group	Purpose of Engagement and Engagement Topics	Method of Engagement	Frequency	Responsible
<ul style="list-style-type: none"> ➤ Ministry of Labour and Social Security 				
<ul style="list-style-type: none"> ➤ All affected settlements and Interested parties ➤ Local communities ➤ Local government ➤ Local businesses and industries 	<p><u>Use of Emergency Response and Preparedness</u></p> <ol style="list-style-type: none"> 1. Provision of information on code compliance / emergency preparedness to engage in public consultation and disclosure about issues of concern with potentially affected stakeholders, 2. Provision of information on code compliance / emergency preparedness to develop appropriate emergency response strategies and capabilities with potentially affected stakeholders. 	<p>Drills</p> <p>Workshops</p> <p>Community meetings</p>	<p>Annual drills or as required</p>	<p>OHS Expert & Environmental Engineer or</p> <p>HSE Expert</p> <p>SRS</p>
<ul style="list-style-type: none"> ➤ NGOs 	<p><u>Social progress, economic and social development, and environmental protection</u></p> <p>Provision of information on:</p> <ol style="list-style-type: none"> 1. Mitigation measures against potential environmental and social risks, 2. Sustainability criteria, 3. Social responsibility projects, implementation principles, 4. Cumulative impacts of project in the region. 	<p>Focus group meetings</p> <p>Workshops</p> <p>Company website</p>	<p>As required / As requested</p>	<p>SRS</p>
<ul style="list-style-type: none"> ➤ Local industries ➤ All affected settlements and mukhtars ➤ Concerned Municipalities 	<p><u>Road Transportation</u></p> <ol style="list-style-type: none"> 1. Road safety awareness, including on safe crossing of the bypass and access roads, 2. Types, number and frequency of vehicles that can be anticipated through different phases of the Project, 3. Collaboration with local communities and responsible authorities to improve signage, visibility, and overall safety of roads, particularly along stretches located 	<p>Face to face meetings</p> <p>Dependent on stakeholder classification</p>	<p>At least annually face to face meetings</p> <p>As requested / as needed for others</p>	<p>SRS</p>

Stakeholder Engagement Plan

Target Group	Purpose of Engagement and Engagement Topics	Method of Engagement	Frequency	Responsible
	<p>near schools or other locations where children are present,</p> <ol style="list-style-type: none"> Collaborating with local communities on education about traffic and pedestrian safety (e.g. school education campaigns), Communication of traffic measures and Project Road usage with mukhtars and other industries. 			
<ul style="list-style-type: none"> ➤ All affected settlements and mukhtars ➤ Concerned Municipalities 	<p><u>Management of environmental and social risks of the Project</u></p> <p>Provision of information on:</p> <ol style="list-style-type: none"> Environmental monitoring program Environmental monitoring results Overall information about progress of the Project Cumulative impacts in the region 	<p>Meetings with Mukhtars</p> <p>Brochures</p> <p>Workshops</p>	<p>As required / As requested</p>	<p>SRS</p> <p>OHS Expert & Environmental Engineer or</p> <p>HSE Expert</p>
<ul style="list-style-type: none"> ➤ Vulnerable Groups 	<p><u>Employment and any other interest of vulnerable groups</u></p> <p>Provision of information on:</p> <ol style="list-style-type: none"> Recruitment of employees, Training of staff, Use of roads, water and other infrastructure, increase in traffic density, Local employment, Important commercial opportunities, Environmental impacts. 	<p>Meetings targeting any identified vulnerable groups</p> <p>Women meetings and focus group discussions</p>	<p>Meetings during the installation and operation</p> <p>As requested / as required for other meetings</p>	<p>SRS</p>
<ul style="list-style-type: none"> ➤ Workforce ➤ All affected settlements and mukhtars ➤ Local industries 	<p><u>Community Health</u></p> <ol style="list-style-type: none"> Provide training on Company policies (employees and contractors) on respectful and appropriate behaviour with communities, 	<p>Face to face meetings</p>	<p>At least annually face to face meetings</p>	<p>SRS</p>

Stakeholder Engagement Plan

Target Group	Purpose of Engagement and Engagement Topics	Method of Engagement	Frequency	Responsible
<ul style="list-style-type: none"> ➤ Concerned Municipalities ➤ Local government 	2. As part of Project orientation training, include awareness raising of the prevention and treatment of communicable diseases.	Dependent on stakeholder classification	As requested / as needed for others	
<ul style="list-style-type: none"> ➤ Employees of the Project ➤ Project Contactor Employees 	<p><u>Employee welfare</u></p> Provision of information on: <ol style="list-style-type: none"> 1. Employee Grievance Mechanism, 2. Labor rights, 3. OHS procedures, 4. Contractor management. 	Face to face interview OHS Committee Labor audits	Monthly or when required due to the results of grievance mechanism	SRS

4.4 Tools & Methods for Information Disclosure

The Project will provide transparent informative material to the affected communities and the stakeholders in a consistent and timely manner. The manner in which this material will be disclosed is discussed in the sections below.

4.4.1 Internal / Web Site

The Project will keep information about the Project updated on their website in both Turkish and English. The website of Eren Holding and its affiliates within the scope of the project can be accessed below:

- <https://www.erenholding.com.tr/en/home>
- <http://www.modern-ambalaj.com.tr/en/home>
- <https://www.modernkarton.com.tr/>
- <https://www.erenperakende.com/>

4.4.2 Information Sheets

Information sheets including a non-technical summary of the activities in each facility, key project issues and details regarding Project's approach to minimizing, mitigating and managing potential negative impacts will be prepared and made available on the assigned websites and at the facilities offices. Copies of these information sheets will be posted at the mukhtar offices of the affected communities identified as stakeholders.

4.4.3 Responding to Local Communities and Publications for People

Authorities of the Project will give full and timely responses to requests, comments, and questions of local communities in addition to implementing the grievance procedure in the case of complaints. All requests shall be treated respectfully. In the event that it is not possible to meet a particular request, then a detailed explanation as to why not, will be given through the use of social plans.

At the Project Affiliate Companies website, material providing information about different stages of the project will be available, and stakeholders will be kept posted. When needed, matrices and informative documents will be prepared as a response to concerns, complaints and requests of stakeholders and local communities based on impact assessment surveys carried out by company. As long it is appropriate, relevant Project information will be disclosed to the public.

4.4.4 Disclosure Activities

During this engagement phase, disclosure and consultation activities will be designed along the following general principles:

- Consultation events and opportunities should be widely and proactively publicized, especially among Project affected parties, at least 1 (one) week prior to any meeting via website announcements, through mukhtars and posted information banner in mukhtars' offices,
- The location and timing of any meetings will be designed to maximize accessibility to Project affected stakeholders, if needed transportation arrangement will be made by the Project to increase participation in meetings,
- The information presented (via presentations, leaflets, website publications etc.) will be clear and will be presented in a non-technical language understood by those in the communities,
- Simplified system will be provided to ensure that stakeholders are able to raise their concerns and the Project will encourage the stakeholders to raise their concerns/complaints and suggestions, and
- Issues raised are to be answered at the meeting or, if an answer is not immediately available, these issues will be actively followed up on, the person who raised the issue will be informed after the meeting when the issues resolved.

Project related information communication meetings will be open to the entire public and will be announced through local mukhtars. Furthermore, they will be held at the locations where stakeholders (especially local communities) can easily reach like the local Mukhtar offices. The Project will inform the public via meetings, media and other similar means, about how people can access Project related documents (such as this SEP and grievance mechanism procedure) and the project timetable, and how they can submit comments regarding said documents.

In case of unexpected pandemic situations like COVID-19, it is required to develop safe and effective stakeholder engagement and grievance management for maintaining a proactive communication process and providing communities with information in a timely manner. The alternative communication methods such as online platforms should be produced and provided by the Project. Based on the principles of stakeholder engagement and grievance mechanism, alternative communication tools and methods can be as follows:

- Digital platforms, social media, and messaging platforms,

- Secure grievance portal,
- Announcements through the website,
- Online stakeholder engagement workshops by using live web streaming,
- Multiple communication options such as closed captioning for video/conference calls.

5. MANAGEMENT OF GRIEVANCE

5.1 Grievance and Feedback Procedure

As discussed previously; grievances are complaints, suggestions, and problems that employees and external stakeholders raise on a specific issue. The spectrum of grievances ranges from major and potentially illegal issues such as discrimination or victimization in the workplace to more minor day-to-day disputes of local stakeholders or Project Affective People.

Grievance procedures provide a clear and transparent framework to deal with difficulties. A grievance mechanism is a structured process that allows complainants to address disputes, fear and aspirations, concerns in a fair, easily accessible, and transparent manner.

Grievance procedures will be coordinated through the appointed Social Responsibility Staff (SRS), who is the primary interfaces between the community and the contractor, and SRS who is responsible for customer grievances. Complainants will have the chance to provide their names to gain effective feedback on their complaints/grievances, however; confidentiality procedures will be put in place to protect the complainant, as appropriate. The SRS is recommended to be nominated from either Corporate Communications or Human Resources department. The SRS are expected to conduct a bridge between the firm and the employees, to formalize the grievance process and procedures, as it is existent, but in a non-formal way.

The grievance mechanism will be informed to the stakeholders so that they are aware of the process, having knowledge of the right to submit a grievance and understand how the mechanism will work and how their grievance will be addressed. In most cases, a grievance or complaint will be submitted by a stakeholder or local resident by phone, in writing or by speaking with the company SRS if it is not anonymous.

In addition, the mechanism shall also constitute an internal grievance process, conducted specifically for employees, subcontractors, and other suppliers of the Project.

5.1.1 Principles of the Grievance Mechanism (Internal and External)

The grievance mechanism is developed to cover the following:

- **Simplicity and necessity:** Procedures will be kept as simple as possible, avoiding unnecessary administrative stages. Fair and transparent, informative for relevant people.
- **Keeping it up to date:** The process will be regularly reviewed jointly by the SRS. Regular monitoring and evaluation should be conducted continuously.
- **Confidential and impartial process, non-retribution:** The process will be confidential and impartial, without employees fearing retribution.
- **Reasonable timescale:** A certain timeframe to deliver responses and solve the problems mentioned will be followed, which is 30 days as the assigned duration for grievance resolution.
- **Keeping of records:** Grievances are tracked and recorded in a written manner, hard and soft copies, if possible.
- Workers should not experience retribution for raising concerns through such mechanisms.

5.1.2 Collection, Registration and Evaluation of Grievances

Handling of grievances (collection, registration, and evaluation) will follow these steps:

- Initiate the grievance procedure, mainly by the SRS,
- SRS registers the grievance/comment in the grievance database (see Appendix- 5),
- The SRS investigates the grievance and makes the first evaluation with the help of relevant responsible department,
- Final decision is made, and further action is implemented in order to solve the grievance,
- The complainant is notified (if name provided) within 5 working days that the grievance solution process has started,
- The complainant is informed about the resolution (at most in 30 days after the grievance is received),
- The grievance is officially closed after related documentation (Grievance Closure Form given in Appendix-3) is completed; and
- Anonymous complaints will not be efficient to handle; however, no one will be forced to provide names.

Depending on the type of the grievance, sharing of responsibilities should be elaborated by Social Responsibility Staff, OHS and Environmental Departments and other relevant departments; however, handling and tracking should be ensured to be done mutually.

A complaint form is prepared for official notification of complaints about the project (see Appendix-2). "Open door policy" shall not be encouraged as the one and only way of communication, so, reporting of complaints in writing should also be encouraged.

5.1.3 Feedback to the Stakeholders

Feedback duration on the status of the delivered grievance, is assigned as 30 working days, after the receipt of the grievance. If the complainant has provided a name and contact information, this will give the chance to inform them about the status of their grievance within 5 working days of grievance receipt.

It is important to monitor the on-going stakeholder engagement process to ensure that consultation and disclosure efforts are effective, and stakeholders delivering grievances have been meaningfully consulted throughout the process. It is also important to monitor to ensure that expectations are managed, and the project builds a more meaningful relationship with stakeholders. This is important in maintaining a 'social license to operate'.

The SEP will be reviewed and revised (if needed) every six months during installation phase and annually during the operation phase, while the grievance mechanism will be continuously reviewed. In addition, the project stakeholders list will be reviewed and updated.

5.1.4 Grievance Mechanism Communication

Employees should know whom they notify to in case of the event of a grievance and the support is available. Managers should be familiar with procedures. Details about the procedures should be easily available, for example in employee handbooks or flowcharted in local places.

For the collection of internal grievances from employees:

- Grievance mechanism process will be communicated with all employees (including contractor's employees) during the recruitment process and the first EHS training sessions will also include the stakeholder engagement and grievance mechanism process trainings,
- Communication about the grievance mechanism will be repeated regularly with the toolbox trainings,

- The grievance/suggestion boxes will be made available at the Project site offices for internal grievances, and
- All employees will be aware of the location of the grievance/suggestion boxes and how to submit their grievances (either through web site or with grievance/suggestion boxes).

For the collection of internal grievances from community:

- Grievance mechanism process will be communicated with stakeholders during stakeholder engagement meetings (including the locations of the grievance/suggestion),
- Stakeholders will be aware of the location of the grievance/suggestion forms presented on the website and how to submit their grievances (either through web site or with grievance/suggestion boxes).

The grievance mechanism constitutes three parts: Customer, External and Internal (Workers, subcontractors, and suppliers of the Project). These three mechanisms will have different respondents: A customer service representative should be appointed for the Customer Complaint Mechanism and a customer complaint hotline should be established. External Grievance Mechanism will be run by the SRS and the HSE Department Chief, while internal grievances, Operational Managers will be under the responsibility of different departments collaborating, such as HR, Finance, Corporate Communications, HSE Department and alike. A sample of the internal grievance form is presented in Appendix-4.

5.2 Contact Details

Table 5-1. Details of Contacts

Modern Oluklu Mukavva Ambalaj Industry and Trade Inc.	Contact Person on the Project Site
<p>Website: http://www.modern-ambalaj.com.tr/</p> <p>Çorlu Facility Address: Ulaş Neighborhood Omurtak Küme Evler No:25 Ergene 2 OSB Ergene/Tekirdağ</p> <p>Phone: +90 (282) 655 62 79</p> <p>Gebze Facility Address: Balçık Neighborhood 3257 Street No:1 Gebze/Kocaeli</p> <p>Phone: +90 (262) 751 39 99</p> <p>Eskişehir Facility Address: EOSB 21st Street No:33 Odunpazarı/Eskişehir</p> <p>Phone: +90 (222) 322 21 11</p>	<p>Phone: To be determined.</p> <p>E-Mail: To be determined.</p> <p>Address: To be determined.</p>

Modern Oluklu Mukavva Ambalaj Industry and Trade Inc.	Contact Person on the Project Site
<p>Manisa Facility Address: İnönü Neighborhood Eren Street. No:2 Muradiye San.Böl.Yunusemre/Manisa</p> <p>Phone: +90 (236) 214 01 66</p> <p>Kayseri Facility Address:</p> <p>Phone:+90 (352) 322 21 05</p> <p>Email: info@modern-ambalaj.com.tr</p>	
Modern Karton Industry and Trade Inc.	Contact Person on the Project Site
<p>Website: http://www.modern-ambalaj.com.tr/</p> <p>Address: Ulaş OSB Neighborhood. D100Street No: 77/33 Ergene / Tekirdağ</p> <p>Phone: +90 (282) 655 58 21</p> <p>Email: modernkarton@modernkarton.com.tr</p>	<p>Phone: To be determined.</p> <p>E-Mail: To be determined.</p> <p>Address: To be determined.</p>
Eren Perakende ve Tekstil Inc.	Contact Person on the Project Site
<p>Website: https://www.erenperakende.com/</p> <p>Address: Omurtak Neighborhood Asfalt Boyu Küme Evler No:6 Ulaş Çorlu/Tekirdağ</p> <p>Phone: +90 (282) 655 53 16</p> <p>Email: info@erentekstil.com.tr</p>	<p>Phone: To be determined.</p> <p>E-Mail: To be determined.</p> <p>Address: To be determined.</p>

6. MONITORING

6.1 Key Monitoring Activities

The Project will monitor the implementation of the stakeholder engagement process (consultations, grievance mechanism etc.). The outputs of this monitoring will also provide input on the management and monitoring of the overall environment, health and safety (labor rights) and social performance of the Project mainly through:

- Revision, improvement or extension of the monitoring activities, parameters, locations and frequency,
- Reviews and revisions of the management plans and procedures.

The Project will monitor the effectiveness of the engagement processes by analyzing the feedback received from engagement activities, thus involving the engaged stakeholders into the monitoring process.

During all engagement activities, where appropriate, questions will be asked to stakeholders on the effectiveness of the meeting and the process of stakeholder engagement. These questions will be tailored for the engaged stakeholder, but will address mainly:

- Transparency and accessibility of the engagement process,
- Provision of relevant information,
- Timely responses (ongoing communication),
- Clarity and simplicity of the information provided, and
- Applicability and relevancy of the information provided.

For an effective stakeholder engagement more than 50% of the stakeholders are expected to provide positive feedback to these enquiries. Key monitoring measures are set out in Table 6-1.

Table 6-1. Key monitoring Measures

Topic	Indicator	Method	Periodicity	Location
Grievances/ Concerns	The Project will review Grievance Log/Database, including complaints <i>closed</i> and <i>unresolved</i> per period at a minimum monthly to include: <ul style="list-style-type: none"> ➤ number of outstanding complaints and grievances opened in the month, ➤ number of complaints and grievances opened in the month and evolution since Project start (graphic presentation), ➤ number of complaints grievances closed in the month; and ➤ type of grievance. 	Grievance Records	Monthly	Main office
Visitor to the Office	Visitors will be recorded including the information of the reason for visit etc.	Visitor Records	Monthly	Main office
Community Engagement Activities	The SRS will record formal and informal engagement with local communities.	Community Engagement Records	Monthly	Main office
Disclosure Materials and Feedback to Communities	SRS will keep records of the types of leaflets, brochures, newsletters prepared and distributed. SRS will monitor feedback to local communities.	Community Info System on the Website	Quarterly	Main office

Topic	Indicator	Method	Periodicity	Location
Social Responsibility Program	SRS will monitor and record the social responsibility activities carried out in the scope of Project and these records will be inserted to stakeholder engagement quarterly reports.	Annual reports	Bi-annually (installation) Annually (operation)	Site office

6.2 Key Performance Indicators (KPIs)

The key performance indicators (KPIs) will be used to assess the progress and effectiveness of proposed mitigation strategies. The KPIs are given in Table 6-2 below.

Table 6-2. Key Performance Indicators (KPIs)

KPI	Target	Monitoring Measures
Total number of community complaints or grievances	Total number reduced year on year	Grievance Database
Total number of customer complaints or grievances	Total number reduced year on year	Grievance Database
% of complaints that are responded within 5 working days	Delivery of regular reports to stakeholders on the outcomes of the Grievance Mechanism	Reporting
% of complaints that are closed within 30 working days.	Target of 100%	Grievance Database
Auditing Grievance Procedure to ensure that it is being implemented and grievances are being adequately addressed.	Bi-annual (installation), annual (operation) audit complete target of 100% of grievances close out to satisfaction of complainant within 30 working days.	Audit Report

7. TRAINING

All necessary training will be provided as induction training to provide general awareness for all employees of the Project and its contractors. Job-specific training will be also provided as necessary including stakeholder engagement and grievance management. The implementation of this grievance mechanism will be followed by the Social Responsibility Staff and other personnel and supervisors of the Project. Contractors are also involved in or overseeing activities with local communities.

7.1 Induction Training

The induction training will provide information about the worker grievance mechanism to all direct and indirect workers. The trainings will be given in the first “Induction Training” session. All employees of the Project and contractors are required to participate in community relations and human rights training. This training will provide the information on how to understand and respect different cultures and opinions and to be an effective team member by behaving appropriately with locals and colleagues.

7.2 Job Specific and Other Training Requirements

Job-specific training and additional specialist training (if there any) for key personnel involved in the community, then it will be provided to those and employees for grievance management. Specific training on the application of the Stakeholder Engagement Plan and Grievance Management is also provided to the SRS and other personnel and supervisors of the Project and contractors involved.

8. AUDIT AND REPORTING

8.1 Internal and External Auditing

Internal and External Audits will be carried out to ensure the assessment of the mechanism's efficiency. Conformance and aspects of this procedure, which are subject to regulatory audits, will be monitored in accordance with the Project ESHS Management System and separately by Project Lenders. Contractors will be subject to inspection and audit by the Project prior to a contractor's initial appointment.

8.2 Record Keeping and Reporting

Record keeping will be done during the following cases:

- Consultation meetings,
- Fairs and promotions
- Social responsibility activities,
- Community engagement activities,
- Grievances actions and close out of grievances,
- Concerns/opinions/suggestions by the local community during consultation meetings and stakeholder engagement activities,
- Audits, investigations, and incidents which will be managed according to the Project procedures.

On monthly basis, an overview of the grievances recorded in terms of number and type will be investigated. The situation of the grievances as open/closed out will be developed periodically. The Social Responsibility Staff will evaluate and conclude this overview with project management in the monthly progress meetings.

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APPENDICES

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Appendix - 1: Consultation Form

Consultation Form									
Reference No:									
Person Filling the Form:			Date:						
Interview Agenda:			Reference No:						
Information on Consultation									
Interviewee Institution:			Communication Type						
Name-Surname of the Interviewee:			Phone/Free Line	<input type="checkbox"/>					
Phone:			Face to face interview	<input type="checkbox"/>					
Address:			Web-site/ E-Mail	<input type="checkbox"/>					
E-Mail:			Other (Explain)	<input type="checkbox"/>					
Stakeholder Type									
Public Institution	<input type="checkbox"/>	Project Affected People	<input type="checkbox"/>	Private Enterprise	<input type="checkbox"/>	Trade Association	<input type="checkbox"/>	NGO	<input type="checkbox"/>
Interest Groups	<input type="checkbox"/>	Industry Associations	<input type="checkbox"/>	Workers' Union	<input type="checkbox"/>	Media	<input type="checkbox"/>	University	<input type="checkbox"/>
Detailed Information on Consultation									
Questions related to Project									
Concerns/feedbacks related to Project									
Responses to the views expressed above:									

Appendix - 2: Complaint Register Form

Complaint Register Form		
Reference No:		
Full Name <i>Note: You can remain anonymous if you prefer or request not to disclose your identity to third parties without your consent.</i>	Name & Surname: _____ <input type="checkbox"/> wish to raise my grievance anonymously <input type="checkbox"/> request not to disclose my identity without my consent	
Contact Information How the complainant wants to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Post: Mailing address: _____ <input type="checkbox"/> By Telephone: _____ <input type="checkbox"/> By E-mail _____ <input type="checkbox"/> I don't want to be contacted	
Details Related to Grievance:		
Description of Incident or Grievance: _____ What happened? Where did it happen? Who did it happen to? What is the result of the problem?		
Case summary:		
Date of Incident/Grievance		
	<input type="checkbox"/> One-time incident/grievance (Date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (Provide details)	
What would you like to see happen to resolve the problem?		
Only for internal usage: Status of complaint		
	Date:	Signature:
The complaint is closed by:		
Actions taken (Provide details):		

Appendix - 3: Complaint Closure Form

Grievance Closure Form	
Reference No:	
Determination of Corrective Action(s)	
1	
2	
3	
4	
5	
Responsible Departments	
Close Out the Grievance	
<p><i>This section will be filled and signed by the complainant in case the complaint stated in the "Grievance Registration Form" is resolved.</i></p>	
<p>Date:</p> <p>...../...../.....</p>	<p style="text-align: center;">Name Surname / Signature of the Person Closing the Complaint</p>
	<p style="text-align: center;">Name, Surname / Signature of Complainant</p>

Appendix - 4: Internal Grievance Form

Reference No:		
Full Name Note: you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent	Name & Surname: _____ <input type="checkbox"/> I wish to raise my grievance anonymously <input type="checkbox"/> I request not to disclose my identity without my consent	
Contact Information How the complainant wants to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Post: Mailing address: _____ <input type="checkbox"/> By Telephone: _____ <input type="checkbox"/> By E-mail _____ <input type="checkbox"/> I don't want to be contacted	
Details Related to Grievance:		
Description of Incident or Grievance: _____ What happened? Where did it happen? Who did it happen to? What is the result of the problem?		
Case summary:		
Date of Incident/Grievance		
	<input type="checkbox"/> One-time incident/grievance (Date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (Provide details)	
What would you like to see happen to resolve the problem? _____ _____		
Only for internal usage: Status of complaint		
	Date:	Signature:
Complaint is closed by:		
Actions taken (Provide details):		



Appendix - 5: Grievance Database

Grievance Database									
Reporting Period									
Name/Contact Details of Complainant	Internal/ External	Grievance Received by	Date Received	Details of Compliant/ Comment	Responsibility (Related Department)	Communication with complainant*	Actions taken	Date Resolved	Communication with complainant**
* Notification date and method (via call/face to face): If complainant has provided a name and contact information, he/she will be notified within 5 days that the grievance solution process has started.									
** Notification date and method (via call/face to face): If complainant has provided a name and contact information, he/she will be notified with related information after the grievance resolved within 30 calendar days.									



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