

**SAGANAK ENERJİ**

**SAGANAK ENERJİ YATIRIM  
URETİM VE TICARET A.S.**

**KANDIRA WIND POWER PLANT**

**CONTRACTOR  
MANAGEMENT PLAN**

**DECEMBER 2020**

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## REVISION HISTORY

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## ABBREVIATIONS

<b>AIB</b>		Asian Infrastructure Investment Bank
<b>E&amp;H</b>		Environmental and Health
<b>E&amp;S</b>		Environmental and Social
<b>EHS</b>		Environmental, Health, and Safety
<b>EIA</b>		Environmental Impact Assessment
<b>ESAP</b>		Environmental and Social Action Plan
<b>ESF</b>		Environmental and Social Framework
<b>ESHS</b>		Environmental Social, Health, and Safety
<b>ESS</b>		Environmental and Social Standards
<b>HR</b>		Human Resources
<b>HSE</b>		Health, Safety, and Environment
<b>HSE-Q</b>		Health, Safety, and Environment - Quality
<b>IFC</b>		International Finance Corporation
<b>KPIs</b>		Key Performance Indicators
<b>MSDS</b>		Material Safety Data Sheet
<b>OHS</b>		Occupational Health and Safety
<b>Plan or CMP</b>		Contractor Management Plan
<b>PPE</b>		Personal Protective Equipment
<b>Project</b>		Kandira Wind Power Plant
<b>PSs</b>		Performance Standards
<b>RfP</b>		Request for Proposal
<b>Saganak Owner</b>	<b>or</b>	<b>Project</b> Saganak Enerji Yatirim Uretim ve Ticaret A.S..
<b>WPP</b>		Wind Power Plant

## **1. PURPOSE AND SCOPE**

The Contractor Management Plan (“the Plan” or “CMP”) has been developed in accordance with Saganak Enerji Yatirim Uretim ve Ticaret A.S (hereinafter referred to as “Saganak” or “the Project Owner”) policies, with the commitments undertaken by Saganak in the Environmental and Social Action Plan (ESAP) prepared for the Kandira Wind Power Plant (WPP) Project (“the Project”), with Turkish regulatory framework, with International Finance Corporation (IFC) Performance Standards (PSs) with IFC General and Sector Specific Environment, Health and Safety (EHS) Guidelines and Asian Infrastructure Investment Bank’s (AIIB) Environmental and Social Framework (ESF). Where no national regulation, IFC standard/guideline or AIIB standard applies, the Plan considers the adoption of Good International Industry Practices (GIIP).

### **1.1 Purpose**

The general purpose of CMP is to describe various measures to avoid adverse impacts on the health and safety of the contractors, Saganak employees, and community during the construction and operation of the Project. The plan aims to achieve these by incorporation of local legislation, requirements of IFC, AIIB and international best practice procedures.

This Plan is developed mainly to provide the framework for contractor and supply chain management. In further detail, the CMP serves the following purposes:

- Identifying roles and responsibilities with regards to contractor management.
- Providing related legislation and international standards.
- Providing processes and criteria for contractor, supply chain firm and consultant selection and further performance evaluation.
- Detailing processes, procedures and systems that will be utilized for contractor and supply chain engagement and management.
- Setting how cooperation with contractors and firms in the supply chain will be achieved with regards to environmental and social (E&S) management in compliance with Project standards (i.e. cooperation with contractors for development of additional actions in case of non-compliances or to enhance overall E&S performance of the Project)
- Setting monitoring, reporting and review requirements for implementation of this plan, including monitoring and reporting requirements for the contractors.
- Setting training requirements for both Saganak and the contractors for effective implementation of this plan and adherence to Saganak and international standards.

### **1.2 Scope**

This Plan provides necessary means and measures to achieve goals of the Project. These assessments/measures are applicable to all Project personnel, contractors, subcontractors, visitors and the general public (including any governmental authority or similar site visitors) and covers both construction and operation phases.

This Plan will be updated as and when necessary. The scope of the Plan includes following aspects:

- Legislative requirements and standards
- Roles and responsibilities
- Provisions/measures regarding contractor management
- Monitoring and reporting
- Training of personnel regarding CMP issues
- Review and update

## **2. LEGISLATIVE REQUIREMENTS and STANDARDS**

### **2.1 National Legislation**

Turkish Legislation that the Project will comply with laws/regulations/standards below:

- Occupational Health and Safety Law No. 6331
- Labour Law No. 4857
- Regulation on Education, Duties, Powers and Responsibilities of Occupational Physicians and Other Health Personnel
- Regulation on Risk Assessment of Health and Safety
- Regulation on Occupational Health and Safety Services
- Regulation on Occupational Health and Safety Signs
- Regulation on Emergency Situations in the Workplaces
- Regulation on Occupational Hygiene Measurement, Testing and Analysis Laboratories
- Regulation on Principles and Procedures for Occupational Health and Safety Training of Employees
- Regulation on Health and Safety Measures to be taken in Workplace Buildings and Annexes
- Regulation on the Health and Safety Conditions on the Use of Work Equipment
- Regulation on the Occupational Health and Safety Requirements for Construction Sites
- Regulation on the Use of Personal Protective Equipment at Workplaces
- Regulation on the Occupational Health and Safety Requirements for Temporary or Fixed-Term Employment
- Regulation on the Occupational Health and Safety in Construction Works
- Regulation on Safety and Health in Working with Chemical Substances
- Regulation on the Protection of Workers from Risks Related to Noise
- Regulation on the Protection of Workers against Exposure to Dangerous or Explosive Atmospheres
- Regulation on the Protection of Buildings from Fire
- Regulation on Emergencies in Workplaces
- Regulation on First Aid
- Regulation on the Protection of Employees from Risks About Vibration
- Regulation on Health and Safety Measures in Asbestos Works
- Regulation on Duty, Authority, Responsibility of Occupational Physicians
- Regulation on Ground Water Quality
- Regulation on Water Pollution Control
- Regulation Regarding Prevention of Major Industrial Accidents and Reduction of Their Effects
- Regulation on the Implementation of the Law Concerning Private Security Services
- Regulation on the Road Transportation of Hazardous Goods

### **2.2 International Standards**

Applicable International Finance Institutions (IFIs) standards and guideline requirements for the contractor management are provided in the following references:

- IFC Performance Standards on Social and Environmental Sustainability
- IFC General Environmental, Health, and Safety (EHS) Guidelines
- IFC EHS Guidelines for Wind Energy
- European Union legislative requirements
- AIIB Environmental and Social Framework
- AIIB Environmental and Social Standards (particularly ESS1)

Aforementioned standards and guidelines set a framework to adopt of best guidance for contractors' EHS practices, and address some aspects of project activities which may have an

impact beyond the life of the Project and practices across all aspects of project operations with the goal of preventing infrastructural damages, and minimizing impacts on project personnel and the public.

### **3. ROLES AND RESPONSIBILITIES**

#### **Managing Director**

- Owner and confirmatory of this Plan.
- Ensures sufficient and qualified resources are allocated on an ongoing basis to achieve effective implementation of this Plan.
- Controls and confirms the objectives related with the Plan.

#### **Project Manager**

- Develops, implements, circulates and maintains this Plan.
- Provides sufficient resources to implement the requirements of this Plan.

#### **Internal Counsel and Legal Advisor**

- Gives accurate and timely counsel to executives in a variety of legal topics (Labour Law, partnerships, international ventures, corporate finance etc.).
- Specifies internal governance policies and regularly monitor compliance.
- Researches and evaluates different risk factors regarding business decisions and operations.
- Applies effective risk management techniques and offer proactive advice on possible legal issues.
- Communicates and negotiates with external parties (regulators, external counsel, public authority etc.), creating relations of trust.
- Drafts and solidifies agreements, contracts and other legal documents to ensure the Saganak's full legal rights.
- Deals with complex matters with multiple stakeholders and forces.
- Provides clarification on legal language or specifications to everyone in the organization.
- Maintains current knowledge of alterations in legislation.

#### **Construction/Operation Manager**

- Ensures that relevant activities are carried out in accordance with this management plan and related procedures.
- Reports to the Project Manager issues impacting on the implementation of this Plan.
- Seeks counsel and guidance of Internal Counsel and Legal Advisor on contractual issues with the contractors.
- Ensures that the contractors are fulfilling their contractual obligations and reports any nonconformity to Project Manager.

#### **Administrative Affairs Manager**

- Assists to Construction/Operation Manager on the identification of nonconformities regarding the contractual obligations of contractors'.

#### **HSE-Q Expert**

- Contributes to the implementation of precautions related to environment, health, safety objectives.
- Checks whether this plan fits with the project standards and other agreements or not
- Operator of this plan and controls the contractors' application.



- Coordinates with Construction/Operation Manager, Administrative Affairs Manager, and Community Liaison Officer.
- Coordinates related activities of this management plan.
- Gives Plan-related training to employees.
- Performs routine inspections.
- After the identification of the nonconformities of contractors in the implementation of this plan, transmits the situation in writing form to the contractors and gives the necessary technical support to take relevant measures.
- Follows the field applications.
- Researches the situation and reports properly.
- Prepares the statistics / performance reports.
- Investigates all relevant incidents and reports to the Construction/Operation Manager.
- Ensures that the employees of the contractors are aware of the Project's grievance mechanism, logs their grievances, coordinates with Construction/Operation Manager and Administrative Affairs Manager to find solutions, and follows-up the actions taken for the solution of grievances.
- Examines the monthly ESHS reports prepared by the contractor and presents the key findings to Construction/Operation Manager.

### **Community Liaison Officer**

- Logs grievances from members of the public with respect issues covered in the scope of this Plan.
- Transmits external grievances on contractors' actions to Construction/Operation Manager and together with HSE-Q Expert, Construction/Operation Manager and Administrative Affairs Manager, defines actions to solve grievances.
- Communicates with the community and/or community representatives regarding the actions taken regarding the grievances.

### **Contractors**

- Ensures compliance with the Project-specific environmental and social policies, environmental and social management system (ESMS), environmental and social management plans and Project HSE, labour and social standards in accordance with the contractual requirements.
- Ensures sufficient and qualified resources are allocated on an ongoing basis to achieve effective implementation of this Plan.
- Ensures the effective implementation of this Plan by issuing its own procedures addressing, detailing and customizing specific actions, measures and monitoring activities under contractors' responsibility.
- Provides relevant monitoring data and monitoring reports to Saganak as required.
- Stipulates Saganak's policies and standards to any subcontractor for duly implementing requirements.
- Prepares monthly ESHS reports and submits to Saganak.

### **Contractor Supervisor**

- Oversees daily operations.
- Coordinates employee schedules, ensuring adequate coverage.
- Coordinates training and professional development activities for employees.
- Conducts staff performance reviews.
- Addressing and reporting safety concerns in a timely manner.
- Ensuring compliance across the worksite.
- Mediating on-site conflicts.

## 4. CONTRACTOR MANAGEMENT

All contractors will be responsible of full compliance with the legislation, standards, procedures, rules and objectives identified in detail in of this plan. Within this scope, Saganak will have in place a Contractor and supplier evaluation mechanism, with criteria targeting the assessment of sufficiency and compliance of existing HSE and labour practices of the contractor/supplier that is being considered. Following selection of the contractors and suppliers, the Scope of Work to be agreed on will ensure compliance of the contractor/ supplier with Project Standards through contractual terms.

### 4.1 Contractor Selection

The contractor selection process will involve a multidisciplinary team, with one or more qualified E&S professionals with primary responsibility for the project's E&S matters, including E&S performance, worker and community health, safety and security, and human resources.

The participation and engagement of the E&S professional in the contractor selection process is aimed at providing an early consideration of E&S matters and variables when selecting a contractor.

The first step in the contractor procurement process is the preparation of a request for proposal (RfP) preparation. This RfP is typically prepared by procurement staff with input from the project manager, internal counsel and legal advisor, technical specialists (for example, engineers and HSE-Q Experts), and lawyers.

CMP describes in a comprehensive and structured manner the various E&S considerations, controls, and commitments related to the main activities that the contractor will be required to implement as part of its scope of work, and spells out E&S requirements to proactively manage risks and impacts in their activities including clear definitions of responsibilities, training needs, performance measurement tools, and reporting requirements. The CMP basically defines the mitigation and performance improvement measures and actions that address the identified E&S risks and impacts of the project.

With a better understanding of CMP, the contractor can determine the resources required for executing the work with due consideration of the Saganak's E&S requirements. As a result, the bidding process, the selection of the contractor, the contract, and the execution of the work itself includes the project's E&S considerations from the outset.

For the contracts, "Contractor E&S Requirements" which is a document (Annex 1) summarizing the general expectations in terms of occupational health and safety, and E&S, will be shared with all contractors and subcontractors. This is a common industry practice that helps clarify Saganak's main Environmental, Social, Health, and Safety (ESHS) requirements, conditions, and provisions that every contractor or subcontractor must follow when entering into an agreement with Saganak.

A high-level definition of ESHS expectations allows the contractor to better understand the minimum requirements that must be met. It also helps Saganak to set basic expectations of the HSE framework that will govern the Saganak–contractor relationship from the outset.

These documents (the CMP and the Contractor E&S Requirements) include all relevant E&S requirements, commitments, and provisions derived from a number of source documents, including as applicable:

- IFC Performance Standards;
- IFC General and relevant industry-specific EHS Guidelines;
- AIIB Environmental and Social Framework
- Commitments included in the environmental impact assessment (EIA), ESAP and E&S related permits;
- ESHS Commitment Registers;

- Legal obligations and applicable codes and standards; and
- Company policies and internal procedures.

Saganak has developed this plan and requirements presented in Annex 1 in line with the above-mentioned standards and procedures. Making these documents part of the contractor's contract will ensure that the contractor complies with Saganak requirements. In this way, management of Project risks and anticipated impacts and E&S performance will be done more effectively.

## 4.2 Proposal Evaluation and Contractor Selection

Evaluation methodology, criteria, key performance indicators (KPIs), and weightings need to be established in discussion with the rest of the project team. The following questions should be asked when developing the weightings: "*What answers are we looking for?*" and "*What KPI scores are acceptable?*". Significant E&S records and safety metrics are important, and poor records related to these matters should preclude the contractor from qualifying, regardless of technical aspects or price.

The contractor's existing management systems, its capacity to implement E&S requirements and the contractor-supplied information on past E&S performance will be among the key criteria used to evaluate contractors. Capacity may be judged by past performance, existing or projected management, technical ability, and resources. The latter can include solutions or options proposed by the contractor to implement the mitigations described in the E&S documentation, such as management plans that are contained in the bid package. A lack of capacity to establish an ESMS (if one does not exist), implement E&S requirements, and meet applicable standards will disqualify a contractor from further consideration. Referees should be asked to validate claims regarding E&S performance.

As Saganak evaluates proposals, past E&S performance and key personnel of bidders can be evaluated either on a pass-fail basis or on a numerical basis, which can then be included in overall comparisons (including technical and financial). If a numerical basis is selected, weightings should be carefully considered, with significant E&S sensitivities and safety being the highest priorities and the basis for passing or failing.

While the evaluation methodology varies according to the project, scope of work of the activity, and any project-specific feature, it will need to be agreed on by the project team. The following will be considered grounds for disqualification:

- Failure to provide information on past E&S performance, including health and safety records;
- Reports of past performance deemed unacceptable for the current project;
- Notices of material labor issues between workers and management;
- Fines and sanctions imposed by E&S and labor regulators and authorities;
- Poor security management records from previous projects; and
- Material community grievances and high profile adverse press reports on E&S matters.

The team evaluating proposals will include at least one qualified and experienced E&S professional, who has been involved in the tendering processes and the establishment of the criteria that will be used to evaluate bidders' E&S qualifications.

Should a prospective contractor propose to substitute personnel for any proposed key E&S position(s) at any stage of the selection and or contract negotiation process, Saganak may require that the replacement(s) have at least equivalent qualifications and experience of the previous professional and that they be approved by Saganak, or the entire proposal may be re-evaluated using the substitute personnel.

At the end of the evaluation and selection process, Saganak will issue a letter of intention to place a contract subject to certain conditions, including E&S requirements and conditions, which should be listed. These could be over and above those in the offer, but they must have been discussed with the contractor during the selection process.

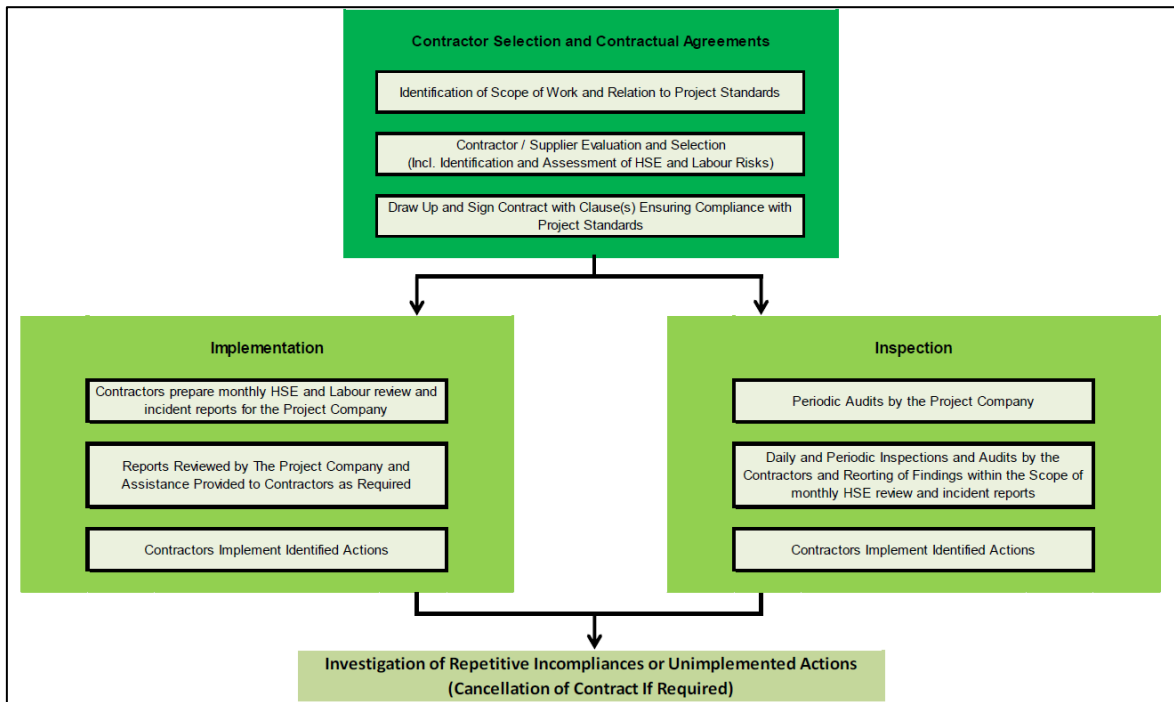


Figure 1 Contractor Management Process

### 4.3 Subcontracting and Procurement

It is Saganak’s responsibility to comply with IFC PSs, EHS Guidelines, AIIB ESSs, loan agreement commitments, EIA, ESAP, local laws and regulations, and permits and standards, ensuring that any contractor providing services of any kind to Saganak duly follows these requirements throughout the duration of the contract, including any activity or services performed by subcontractors or third parties undertaking a contract from the contractor.

Saganak do not have direct control over subcontractor performance, although Saganak may have some influence over selection and may (indirectly) supervise E&S performance. Therefore, Saganak shall use direct control over their contractors to ensure that E&S requirements are being met by subcontractors.

### 4.4 Existing Clients – Managed Contracts (Amending Existing Contracts)

For development projects, there may be existing, smaller contracts managed by a project owner that will continue into the construction phase alongside major contracts. For consistency, these contracts and the performance requirements associated with them shall be reviewed and, if necessary, brought in line with the other contracts through amendments to properly incorporate all applicable E&S requirements.

#### **4.5 Project Performance**

The roles of a project owner and contractors in meeting ESHS requirements are usually intertwined and shall be worked out at the project level. Some actions described in this Plan as being the responsibility of Saganak or the contractor may be reversed or shared on some projects. In some cases, such as stakeholder engagement, both Saganak and contractors have certain obligations and limits and need to coordinate their efforts. In others, such as monitoring, each party monitors ESHS performance, but at different frequencies and levels of detail. The monitoring results of each party should be comparable, for example, collected using same methodologies, analysed at the same labs, and using similar equipment, and so forth.

In all cases, Saganak remains ultimately responsible to ensure ESHS requirements are met, with the responsibilities of the contractor defined in the contract.

Saganak's HSE-Q Expert reviews contractor reports (see Chapter 6 for more detail) and follow-up as needed to ensure timely resolution of issues of noncompliance with ESHS requirements. This may include additional visits to contractor's site or offices, further communications with contractor ESHS personnel, issuance of notices of deficiency or warnings to the contractor, and other actions as needed.

At any stage of construction or other work, if the contractor has not taken appropriate action to achieve compliance with ESHS requirements after repeated notices of violation and warnings of noncompliance, and significant ESHS impacts are occurring, Saganak may order the contractor to stop work until performance is brought under control and up to acceptable standards.

#### **4.6 Approving Invoices for Payment**

Saganak's HSE-Q Expert will be the part of the process for signing off on all payments to contractors, even if the payment is not for work that is explicitly related to ESHS mitigation and performance. HSE-Q Expert will work closely with the Construction/Operation Manager to determine if there are any outstanding ESHS items and whether including that full or partial payment under specific line items of the bill of quantities will be withheld, either temporarily or permanently, or some combination of temporary and permanent withholding.

If the contractors do not take timely action to reach compliance with Saganak's ESHS requirements, HSE-Q Expert and the Construction/Operation Manager will continue to take appropriate action to encourage compliance, which may include orders to stop work, withholding of further payments, and/or escalation of the issue to the higher management. If significant impacts are occurring or imminent, Saganak may notify the contractors that another party will be brought in to deal with the issue and the payment to the contractors will be reduced by the amount paid to the other party, as would be specified in the contract.

## **5. TRAINING**

### **5.1 Management Commitment**

Saganak will provide the necessary funds and scheduling time to ensure effective health and safety training is provided. This commitment will include paid work time for training and training in the language that the workers understand. Both management and employees will be involved in developing the program. To most effectively carry out their safety responsibilities, all personnel must understand (1) their role in the program, (2) the hazards and potential hazards that need to be prevented or controlled, and (3) the ways to protect themselves and others. Goals will be achieved by:

- Educating everyone on the natural and system consequences of their actions;
- Educating all managers, supervisors, employees, contractors and visitors on their safety management system responsibilities;
- Educating all employees and contractors about the specific hazards and control measures in their workplace;
- Training all employees and contractors on hazard identification, analysis, reporting and control procedures; and
- Training all employees, contractors and visitors on safe work procedures and practices.

Training program will focus on health and safety concerns that determine the best way to deal with a particular hazard. When a hazard is identified, it shall be removed entirely. If that is not feasible, workers shall be trained to protect themselves, if necessary, against the remaining hazard.

### **5.2 Employees**

At a minimum, employees must know the general safety and health rules and CMP of the worksite, specific site hazards and the safe work practices needed to help control exposure, and the individual's role in all types of emergency situations. Saganak will ensure all employees understand the hazards to which they may be exposed and how to prevent harm to themselves and others from exposure to these hazards.

Saganak will commit available resources to ensure employees receive safety and health training during the circumstances below.

- Whenever a person or contractor is hired - general safety orientation including an overview of company contractor management systems, policies, procedures and rules,
- Whenever an employee or contractor is given a new job assignment -during formal classroom training, and again, when the supervisor provides specific task training.
- Whenever new work procedures are used - during formal classroom training and supervisor on-the-job training.
- Whenever new equipment is installed - if new hazards are introduced.
- Whenever new substances are used
- To conclude, safety trainings to be conducted whenever a new hazard is introduced.

Employees and contractors must know they are responsible for complying with all company safety rules, and that most accidents will be prevented by their safe work practices. They must be very familiar with any personal protective equipment required for their jobs. They must know what to do in case of emergencies.

Each employee and contractor needs to understand that they are not expected to start working a new assignment until they have been properly trained. If a job appears to be unsafe, they will report the situation to their supervisors.

### **5.3 Construction and Operation Managers**

All line managers must understand their responsibilities within the Plan. This may require classroom training and other forms of communication. The subject can be covered periodically as a part of regular management meetings.

Managers will be trained in the following subject areas:

- The elements of the CMP, and the positive impact the various processes within the system can have on corporate objectives;
- Their responsibility to communicate the CMP goals and objectives to their employees;
- Their role that includes making clear assignments of CMP responsibilities, providing authority and resources to carry out assigned tasks, and holding subordinate managers and supervisors accountable; and
- Actively requiring compliance with CMP, policies and rules and encouraging employee involvement in discretionary safety activities such as making suggestions and participation in the safety committee.

Training will emphasize the importance of managers' visibly showing their commitment to the safety and health and CMP. They will be expected to set a good example by scrupulously following all the safety and health rules themselves.

### **5.4 Contractor Supervisor**

Supervisors will be given special training to help them in their leadership role. They will be taught to look for hidden hazards in the work under their supervision; insist on the maintenance of the physical protection in their areas; and reinforce employee hazard training through performance feedback and consistent enforcement when necessary. Saganak will commit necessary resources to ensure supervisors understand the responsibilities below and the reasons for them:

- Detecting and correcting hazards in their work areas before they result in injuries or illnesses.
- Providing physical resources and psychosocial support that promote safe work.
- Providing performance feedback and effective recognition and discipline techniques.
- Conducting on-the-job training.

All supervisors will complete train-the-trainer classes to learn training techniques and how to test employee knowledge and skills. They will also receive training on how to apply fair and consistent recognition and discipline. Supervisor training may be provided by the supervisor's immediate manager, by HSE-Q Expert, or by outside resources.

### **5.5 Contract Workers**

All contractors will receive mandatory OHS training before entering the site to recognize specific workplace hazards or potential hazards. No contractor will be allowed without necessary OHS training certificates or on-site training, medical report and any other documentation requested by Saganak.

### **5.6 Experienced Workers**

Experienced workers will be trained if the installation of new equipment changes their job in any way, or if process changes create new hazards or increase previously existing hazards. Apart from this, according to hazard class types, refresher training will be assigned according to suggested frequency and duration in related regulations.

## **5.7 All Workers**

All workers will receive refresher training as necessary to keep them prepared for emergencies and alert them.

## **5.8 Visitors**

All visitors will receive general OHS training before entering the site to recognize specific workplace hazards or potential hazards. No visitors will be allowed without general OHS training and an accompanying trained employee/guide with them in Kandira WPP site

## **5.9 Emergency Response**

Saganak will train employees to respond to emergency situations. Every employee at every worksite will understand:

- Emergency telephone numbers and who may use them;
- Emergency exits and how they are marked;
- Evacuation routes; and
- Signals that alert employees to the need to evacuate.

Saganak will practice evacuation drills at least semi-annually, so that every employee and contractor has a chance to recognize the signal and evacuate.

## **5.10 Periodic Safety and Health Training**

At some worksites, complex work practices are necessary to control hazards. Elsewhere, occupational injuries and illness are common. At such sites, HSE-Q Expert will ensure that employees receive periodic safety and health training and to teach new methods of control. New training will also be conducted as necessary when related laws, regulations and standards change or new regulations or standards are issued. Where the work situation changes rapidly, weekly meetings will be conducted as needed. These meetings will remind workers of the upcoming week's tasks, the environmental changes that may affect them, and the procedures they may need to protect themselves and others.

## **5.11 Identifying Types of Training**

Specific hazards that employees need to know about should be identified through total site health and safety surveys, job hazard analysis, and change analysis. Accident and injury records may reveal additional hazards and needs for training. Near-miss reports, maintenance requests, and employee suggestions may uncover still other hazards requiring employee training.



## 6. MONITORING AND REPORTING

In the scope of this CMP, regular monitoring activities will be carried out in order to assess the level of implementation of the mitigation measures identified for the Project for both construction and operation phases.

Saganak will monitor contractor and subcontractor ESHS performance and ensure the contractor monitors its own and all subcontractors' ESHS performance throughout construction, including mobilization, the main construction phase, and demobilization. Clear responsibilities and reporting lines are essential to avoid duplication of effort or, conversely, gaps in monitoring. If operations are carried out under contract, or some work is performed by contractors, Saganak and contractor will monitor ESHS performance during operation phase as well.

Saganak requires construction contractors to report on an agreed frequency (at least monthly) their ESHS performance and metrics (which shall include relevant information and data from subcontractors, as applicable). This report can be a part of the overall construction progress report or a standalone report. Reported information should include;

- **Safety:** hours worked, recordable incidents and corresponding Root Cause Analysis (lost time incidents, medical treatment cases), first aid cases, high potential near misses, and remedial and preventive activities required (for example, revised job safety analysis, new or different equipment, skills training, and so forth).
- **Environmental incidents and near misses:** environmental incidents and high potential near misses and how they have been addressed, what is outstanding, and lessons learned.
- **Major works:** those undertaken and completed, progress against project schedule, and key work fronts (work areas).
- **E&S staffing:** new hires and departures, and listing of current staff and titles.
- **E&S requirements:** noncompliance incidents with permits and national law (legal noncompliance), project commitments, or other E&S requirements.
- **E&S inspections and audits:** by contractor, engineer, or others, including authorities—to include date, inspector or auditor name, sites visited and records reviewed, major findings, and actions taken.
- **Workers:** number of workers, indication of origin (expatriate, local, nonlocal nationals), gender, and skill level (unskilled, skilled, supervisory, professional, management).
- **Training on E&S issues:** including dates, number of trainees, and topics.
- **Footprint management:** details of any work outside boundaries or major off-site impacts caused by ongoing construction—to include date, location, impacts, and actions taken.
- **External stakeholder engagement:** highlights, including formal and informal meetings, and information disclosure and dissemination—to include a breakdown of women and men consulted and themes coming from various stakeholder groups, including vulnerable groups (e.g., disabled, elderly, children, etc.).
- **Details of any security risks:** details of risks the contractor may be exposed to while performing its work—the threats may come from third parties external to the project or from inappropriate conduct from security forces employed either by the client or public security forces.
- **Worker grievances:** details including occurrence date, grievance, and date submitted; actions taken and dates; resolution (if any) and date; and follow-up yet to be taken—grievances listed should include those received since the preceding report and those that were unresolved at the time of that report.
- **External stakeholder grievances:** grievance and date submitted, action(s) taken and date(s), resolution (if any) and date, and follow-up yet to be taken—grievances listed should include those received since the preceding report and those that were unresolved at the time of that report. Grievance data should be gender-disaggregated.
- **Major E&S changes:** to ESMS, E&S management, or E&S practices.

- **Deficiency and performance management:** actions taken in response to previous notices of deficiency or observations regarding E&S performance and/or plans for actions to be taken—these should continue to be reported until the client determines the issue is resolved satisfactorily.

Timely reporting of E&S performance and results enables Saganak to identify opportunities for improvement, prevent poor performance issues, and assist contractors if remedial action is to be taken. Based on the monitoring results, necessary corrective and preventive actions will be identified and required changes will be reflected to the Plan. Training program will also be updated accordingly. Evidence and results of the monitoring (measurements) activities have to be described in detail in monitoring reports.

In addition to internal monitoring, the experts from related institutions could monitor and audit these activities. The timing and frequency of these audits would be determined by the relevant institutions.

Reporting activities for this management plan is mainly constituted on the contractors' monthly ESHS performance reports and findings of Saganak's HSE-Q Expert. The HSE-Q Expert is responsible to evaluate the contractors' performance reports and present key findings to the attention of Construction/Operation Manager in a monthly basis. On a six-monthly basis, the HSE-Q Expert will prepare a summary report on Project's overall ESHS performance including performance of contractor. The report will be made available to stakeholders.

## **7. REVIEW AND UPDATE**

Saganak's HSE-Q Expert determines the review and update needs of this Plan. In general, it is expected that this Plan will be reviewed at least once in every three months during the contract period of the construction contractor. In the operation phase of the Project, the expected review and update frequency is determined as at least once in a year. If the predetermined frequencies are found insufficient by the HSE-Q Expert, the expert has rights to review and update the Plan when deemed necessary.

The review and update needs of this Plan might be added to the agenda of periodic meetings between Saganak and contractors. In such case, during these meetings (e.g. periodic OHS meetings, accident/incident investigation meetings, and risk assessment meetings) the overall ESHS performance of the contractors will be evaluated by Saganak, mainly by the contributions and findings of HSE-Q Expert and Construction/Operation Manager, and the review and update needs will be determined.

The review and update process of the Plan is conducted with the cooperation of HSE-Q Expert, Administrative Affairs Manager, and Construction/Operation Manager. The contractors' representatives might be involved or requested to be involved to this process.

During the review and update of this Plan, if an amendment to the contractors' contract is found to be required, the Construction/Operation Manager will request opinion and guidance of Saganak's Internal Counsel and Legal Advisor.

**ANNEX-1: Health, Safety and Environment Requirement for Contractors**

## **PART 1 – GENERAL HSE REQUIREMENTS**

### **1. Compliance with Laws, Regulations and Standards**

Contractor shall comply with all applicable environmental, social, health, and safety (ESHS) laws and regulations, which are applicable to the worksite.

Contractor shall comply at all times with the requirements as set forth by Project Owner in its environmental, social, health and safety management system, site and the Project Owner's safety rules, policies, operating standards, any special instructions (which shall be available upon request), and all other requirements stipulated in this contract whichever and/or whenever applicable as determined by the Project Owner (hereinafter referred to as HSE requirements"). These requirements are intended to supplement any known or ought to be known laws and regulations applicable at the worksite. The Project Owner shall have the right to conduct its own HSE inspection/audit at the worksite to ensure contractor's compliance to HSE requirements throughout the performance of the contract.

Contractor shall take all necessary HSE precautions related to or arising out of the performance of the contract in order to protect the work, the personnel and property of the Project Owner, contractor, sub-contractor, all third parties and public from the hazards and risks associated with the work.

### **2. Contractor's Written Policy/Organization**

Contractor shall acknowledge the Project Owner's strong commitment to HSE requirements and affirms that it has a written HSE policy which is of a standard acceptable to the Project Owner's HSE policy. Contractor shall further affirm that its HSE policy is applied and exercised by all its personnel including sub-contractor's personnel ("personnel") when performing work.

### **3. Protection of Workers, Public, Environment and Assets**

Contractor shall protect the safety and health of the personnel, the Project Owner's personnel and third parties living or working near the activity from potential hazards and risks related to and/or arising out of the performance of this contract. Contractor, without cost to the Project Owner, shall take all necessary precautions and mitigation measures to protect its personnel, Project Owner's personnel and third parties as well as to minimize disturbance and inconvenience to the public related to and/or arising out of the performance of this contract. Contractor shall execute the work and conduct all operations in such a way as to minimize any impact upon the natural environment including compliance with all laws, regulations and rules applicable to the worksite. Contractor shall agree to indemnify the Project Owner and consultants of the Project Owner for all claims, damage costs and penalties relating to any environmental damage or loss or non-compliance with any laws or regulations arising out of contractor and/or sub-contractor performance of work.

### **4. Right to Stop Work**

The Project Owner shall have the right to stop commencement of work or to suspend any work in progress if the equipment, machinery, personnel or work conditions are considered at the Project Owner's discretion to be unsafe or not to be in compliance with any applicable rules, regulations and procedures in Project Owner including the HSE requirements. Suspension of the work shall be at contractor's expense until contractor has satisfactorily rectified such defects and unsafe conditions. In the event of serious or repeated infringements, the Project Owner shall be entitled to terminate the contract without compensation.

## **5. Maintain Equipment, Tools and Machinery in a Safe Condition**

Contractor shall ensure that all contractor's machinery, tools, equipment, facilities and other items in any way associated with or utilized in the work are fit for use and maintained in a safe and good working condition. Certificates of fitness, calibration certificates, etc. shall be provided whenever requested by the Project Owner.

## **6. Risk Management and Hazards Identification**

Contractor shall make assessment of the HSE risks involved in the execution of the work. The focus of the assessment should be to evaluate the inherent hazards in conducting the work and the potential adverse consequence of an accident to its personnel, the Project Owner's personnel, third parties and the environment, the Project Owner assets and reputation. Contractor shall take appropriate preventive and mitigation measures to prevent incidents from occurring and to minimize the consequence of an event should it occur. Contractor shall conduct HSE inspections and audits to ensure that such preventive and mitigation measures are in place and implemented. Contractor shall promptly take actions on all recommendations made pursuant to the said inspections and audits.

## **7. Competent Personnel**

Contractor shall ensure that its personnel are fully trained, certified and competent to carry out the task of operating all machinery, equipment, and tools. Certificate of competency shall be provided where applicable and whenever requested by the Project Owner. Contractor shall provide an adequate level of technical and HSE related training conducted by a recognized training institution for all relevant personnel in connection with the work. All contractor supervisory personnel shall attend relevant HSE training including, but not limited to, in hazard identification and risk assessment. Contractor shall ensure that all contractor and sub-contractor's personnel engaged in the work are healthy and fit, and possess the experience and skill required to perform the work safely.

## **8. HSE Awareness**

Contractor shall be responsible for maintaining and enhancing the HSE awareness among its personnel and sub-contractor's personnel, including but not limited to arranging safety induction, toolbox meetings, regular HSE meetings and emergency exercises and drills. Findings of hazard identification and risk assessments including job safety analysis shall be communicated to contractor's and sub-contractor's personnel. Copies of minutes of contractor safety meetings shall be submitted to the Project Owner whenever requested.

## **9. Incident Reporting and Investigation**

Contractor shall report to the Project Owner immediately of the occurrence of any incident or accident including near misses while engaging with the Project Owner assets or properties as per the Project Owner incident reporting requirements. Contractor shall also alert relevant authorities in relation to the incident whenever necessary. All incidents that result in or have the potential to cause serious injury or property damage shall be reported to the Project Owner and contractor shall provide full cooperation and support to any investigation initiated by the Project Owner. Contractor shall maintain accurate incident and injury records and shall comply with the Project Owner's requests for information relating to accidents, injury or illnesses and/or near misses.

## **10. Housekeeping**

Contractor shall ensure that good housekeeping is maintained continuously throughout the duration of the work. Due regard shall be paid to proper disposal of all types of wastes especially hazardous/scheduled wastes, tidiness, and clear access ways and emergency exits. Access and egress of all exits, fire and safety equipment, and work areas shall be kept clear of obstructions at all times. Special attention shall be given to among others, maintaining clear walkways, removal of slippery and tripping hazards, securing or removing of loose materials at height, and proper storage of materials. All housekeeping costs shall be borne by contractor.

## **PART 2 – SPECIFIC HSE REQUIREMENTS FOR CONTRACTORS**

### **1. HSE-Q Expert**

Contractor shall provide qualified HSE officer/expert or supervisor who is responsible to provide guidance and advice pertaining to HSE requirements of work.

The HSE-Q Expert responsibilities are;

- To guide Contractor's management on HSE plan and its implementation, with equal diligence being paid to fulfilment of the contractual requirements.
- Perform a formal site inspection or audit to identify and correct any non-compliances noted.
- Provide written record of inspections, audits and status of action follow-ups.

Contractor shall submit the Resume/CV of the HSE-Q Expert or supervisors to the Project owner when requested.

### **2. Project HSE Plan**

Contractor shall prepare and submit a specific HSE project plan to the Project Owner as minimum as the followings:

- HSE policy, targets and requirements
- Prevailing laws and regulations
- Contractor HSE policy
- Contractor's organization including positions for HSE manager and HSE-Q Expert
- HSE responsibilities of contractor key personnel
- Risk assessments including preventive and mitigating measures
- Description and schedule of HSE activities
- Incident reporting and investigation
- Emergency response plan

### **3. Equipment, Tools and Machinery Inspections**

Prior start of work; all equipment, tools and machinery related to the work shall be inspected.

HSE inspections throughout the work are to be maintained and performed continuously by the Contractor. All recommendations made by the inspectors are promptly implemented without delay.

The Project Owner has right to conduct its own HSE inspection and/or audits at site and the contractor shall comply with all the recommendations made.

Contractor shall ensure all fuel powered and electrical equipment (including any requirements on fuel burning equipment) meet the requirements of hazardous area classification by authorities and equipped with approved spark arrestor.

Contractor shall ensure only certified competent personnel are allowed to operate and/or maintain equipment, tools and machinery.



#### **4. Personal Protective Equipment (“PPE”)**

Contractor shall enforce the use of PPE to all its personnel including the subcontractor’s personnel. Job-suitable PPE shall be supplied by the Contractor. Necessary trainings on how-to-use and maintenance of PPEs shall also be provided.

#### **5. Inspection and Tagging of Mechanical Equipment**

Contractor shall inspect and tag all mechanical equipment identified to be used.

The equipment will include but may not be limited to the following:

- Cranes
- Fork lifts
- Self-Loading Trucks
- Semi-Trailers and Prime Movers
- Compressors
- Temporary Electrical Distribution Boards
- Scaffolding equipment
- Rigging equipment
- Man-cages/Personal Baskets
- Aerial Work Platforms
- Welding machine
- Grinding and cutting machine

Any inspected equipment which requires remedial work (or replacement) shall be at contractor’s costs.

#### **6. Working in Confined Space**

Prior entering Confined Spaces, Permit To Work shall be granted by HSE-Q Expert.

Contractor shall take adequate precautions and mitigation measures of gas/oxygen tests, respiratory protection equipment (RPE), isolation of connections to confined space, provision of ventilation equipment and preparation of confined space for safe entry, standby person, availability of rescue equipment.

The HSE-Q Expert or entry supervisor shall ensure that all necessary precautions and mitigation measures are implemented.

Contractor’s shall ensure their personnel are medically fit to work in confined space.

#### **7. Permit to Work (PTW)**

Contractor shall comply with the Project Owner’s PTW procedure if any activities such as hot work, cold work, lifting, confined space entry and radiography to be carried out.

The PTW permits and certificates shall be approved by the site management.

Contractor shall continuously enforce the conditions and requirements of the permits including its validity.

## **8. Tools and Equipment**

Contractor shall ensure all purchased or rented machinery, tools and equipment, facilities, and other items related to work are maintained in a safe condition and to be operated by competent operators.

Tools shall only be used for the job they were designed to perform.

All guards shall be fitted and in good condition at all times.

All grinding discs shall be checked for correct size and speed prior fitting.

Electrically powered tools shall meet the hazardous zones requirements (if applicable).

LOTO procedure shall be applied during electric works.

All electric cables shall be industrial type.

All defective tools and equipment shall be prohibited for use.

## **9. Compressed Gas Cylinders**

Contractor shall ensure that;

- Compressed gas cylinders stored or used shall be in an upright position and secured to some substantial object or structure by a chain or other suitable means capable of supporting the weight of the cylinder. This applies to all empty or full cylinders.
- Cylinder valves shall be closed and hoses depressurized when cylinders are not in use.
- Cylinders shall have protective valve caps in place while they are being transported / stored.
- Cylinders shall be kept promptly to a suitable storage area after use and shall not be left unattended at any work site. Cylinder storage areas should be kept away from general traffic paths and shall not be adjacent to vehicle paths.
- Flammable gases and oxygen cylinders shall not be stored in close proximity unless separated by a non-combustible wall.
- Cylinders shall be colour coded in accordance with International or respective national standards.
- Gas welding cylinders shall have hose check valve (non-return valves).
- Flashback arrestors shall be installed to quench flashback flames and cut off the gas flow automatically, in both oxygen and fuel gas outlet lines.

## **10. Welding and Cutting**

Contractor shall ensure that;

- Only competent and authorized workers are allowed to handle welding and cutting equipment.
- Suitable precautions and mitigation measures against exposure of welding hazards i.e excessive ultraviolet radiation, fire, welding fumes, and dusts are in place.
- Welding and flame cutting in the flammable vicinity or near the combustible substances/materials shall only be done in accordance to PTW procedures.

Contractor shall ensure adequate number of suitable fire extinguishers at the sites nearby the hot work area.

### **11. Abrasive Wheels**

Contractor shall ensure only trained and competent personnel are permitted to work with grinding machines and abrasive wheels.

Contractor shall ensure that personnel working with grinding machines and abrasive wheels are provided with the safety protections i.e. goggles, shields and/or hearing protection devices (HPD) which shall be used at all times during work.

When changing discs on a portable grinder, it is imperative that a suitable replacement disc is installed as per maker's instruction.

### **12. Use of Chemicals**

Contractor shall declare to HSE-Q Expert on any hazardous chemicals used for work.

Contractor shall ensure all requirements for use, storage, handling and transportation of chemicals including wearing a proper PPE as outlined in the Material Safety Data Sheet (MSDS) are strictly followed.

The MSDS for all chemicals shall be made available in Turkish and English (if needed).

When in doubt concerning these requirements, contractor shall consult with HSE department or site management.

Flammable chemicals such as solvents and cleaning agents shall not be stored or used in unventilated areas or in close proximity of any sources of ignition. These chemicals shall be stored in a designated area whenever they are not being used.

All chemical containers shall be properly labeled accordingly.

Contractor shall ensure that smoking and any other actions which may cause ignition (e.g. welding, cutting, grinding and hot work) are strictly prohibited in the vicinity of any such chemical.

### **13. Use/Handling of Asbestos or Asbestos-Containing Materials**

The use of any asbestos or asbestos-containing materials is strictly prohibited.

### **14. Barricade, Platforms and Guardrails**

Contractor shall provide adequate barricades, covers, guardrails, signal flag persons or other appropriate warning devices to protect personnel near any hazardous operations or overhead work.

Temporary covers for floor openings shall be firmly fastened and clearly identified by warning signs. All permanent and temporary elevated work areas, walkway, platforms shall be protected by an approved guardrail and shall provide a secure working space.

## **15. Scaffold**

Safe means of access shall be provided for any work to be carried out at a height greater than 2 meters above ground. If a suitable permanent access is not available, a well-designed, erected, inspected and maintained scaffold will provide a safe mean of access and safe working areas.

Additionally, safe access to scaffold work platforms by ladder shall be provided.

All scaffolding materials and components shall comply with local or international requirement.

### **Inspection**

- A scaffold inspector shall inspect all scaffold materials. Any scaffold above 40 meters shall be designed and endorsed by a professional structural engineer and copy of design forwarded to local authority.

### **Erection**

- Scaffolds shall only be erected, altered or dismantled by competent scaffolder under supervision of a scaffolder supervisor. All inspection of scaffolds shall be done by a competent scaffold inspector.

## **16. Storage/Warehouse**

Contractor shall provide appropriate storage facilities for the storing of material, chemical and fuel on sites. The requirements for storing shall include the following:

- Written procedures on transportation, handling and disposal for all material shall be made available.
- Good housekeeping shall be practiced at all storage facilities.
- Storage buildings and warehouses shall be provided with an approved lightings and fittings in compliance with hazardous area classification, well ventilated, spill containment, waste collection where deem appropriate for the chemicals or fuel stored.
- Adequate number of appropriate fire extinguishers shall be made available at strategic locations at all storage areas and warehouses.
- All personnel shall wear approved PPE whilst working in storage areas and warehouses.
- Flammable and combustible liquids shall be stored separately in different storage rooms.
- Storage rooms shall be constructed to meet the specified fire resistant rating suitable for their use.
- Approved safety cans/cabinets/containers shall be used to store and transfer flammable and combustible liquids, with the name of the material clearly stamped.
- "No Smoking" signs shall be posted at strategic locations in storage areas and warehouses which stores flammable and combustible liquids.

## **17. Driving Safety**

Contractor personnel traveling to and from work site shall use proper means of transport that comply with the regulatory requirements.

The allowable speed limit shall be set by the contractor and suitable road signs shall be placed at the work site.

Contractor shall enhance the awareness of safe driving amongst its employees and subcontractors through trainings.

## **18. Transportation**

All travels or shipment by air, land or sea, contractor shall provide safe means of transportation for personnel and equipment.

In the event that the Project Owner is providing means of transport for either personnel or equipment, then contractor and subcontractor's personnel should adhere to the instructions and requirements of the Project Owner.

## **19. Lifting**

All cranes supplied by contractor shall possess valid certificate of fitness issued by related authorities.

All cranes and associated lifting equipment i.e. all wire ropes, chains, and slings shall be inspected, and tested to ensure they are in safe working conditions.

All defective cranes shall be taken out of service, repaired or replaced if necessary. Whenever there is any doubt on the integrity of the crane, load test shall be performed

All inspected and tested lifting appliances shall be tag or marked in colour coded.

Contractor is responsible to ensure that only competent and authorized operator can operate any lifting device. Contractor shall also designate a signal man to signal the operator as necessary to properly place and control the loads.

Prior to performing any lifting operation, the operator shall determine the weight of the object being lifted and ensure that cables, lifting device, slings, wire ropes, chains etc. used are of a sufficient strength to support the weight of the load.

No personnel or person shall be allowed to walk or stand under the load. Tag lines shall be used to guide and control the load where excessive movement is possible.

## **20. Heavy Machinery**

All contractor vehicles on any site shall have proper insurance and maintained in safe operating conditions.

All heavy machineries shall be operated by competent and certified operators. They shall be operated in a safe manner and at a speed suited to the terrain and weather conditions.

All cranes, trucks, heavy tracked equipment and machinery, welding rigs and all vehicles shall be fitted with reverse alarms.

Any vehicle with restricted vision shall not operate in the vicinity of workers, except under the direction of a designated worker who is ensuring that the path way is clear and safe.

## **21. Working at Height**

Safety harness is required when working above two (2) meters and contractor must obtain PTW approval from site management.

## **22. Risk Assessment (RA)**

Prior to performance of work, contractor shall implement RA as a safety precaution to eliminate or guard against hazards of a specified job. The RA methodology shall include the following:

- Study the job and develop basic job steps
- Identify the hazards for each job step
- Identify the safety precautions and mitigation measures to be taken for each job step
- Record the RA and brief all workers on the hazards, precautions and mitigations to be taken.

## **23. HSE Inspection/Audit**

Prior to commencement of work, contractor is required to inspect the work site and equipment to ensure that work can be performed safely.

In addition, contractor shall perform HSE inspection/audits throughout the work and shall promptly implement all recommendations made pursuant to the said inspection/audit.

The project owner shall have the right to conduct its own HSE Inspection/audit at the work site and contractor shall comply with all recommendations arising from such inspection/audit.

## **24. HSE Induction**

Contractor's own Induction Program:

- Contractor shall implement HSE site induction and identify its employees who need to attend the HSE induction program. The induction briefing which is applicable to all contractor's and subcontractor's employees shall be done at site prior to the commencing of the work.
- All cost incurred shall be borne by the contractor.

## **25. Toolbox Meeting**

Contractor shall ensure that the appointed work supervisor conducts 'TOOL BOX' Meeting daily or prior to each shift.

Specific topics shall include hazards relevant to current work, review of accidents, near misses and deficiencies and/or any new equipment or machinery.

Contractor shall maintain records of attendance and submit to the Project Owner as and when required.

## **26. HSE Meetings**

Contractor shall form a HSE Committee at work site and shall hold regular meetings, and maintain an active interest in HSE.

The meeting shall be attended by contractor's management and workers' representatives and the Project Owner site manager or Superintendent.

The minutes of meeting shall be recorded and distributed to all attendees.

## **27. Occupational Health**

Contractor shall ensure that all its employees and subcontractor's employees engaged in the work are medically (physical and mental) fit for the job and healthy.

In case of emergencies, the Project Owner may provide necessary emergency arrangements, the cost of which shall be reimbursed by the contractor.

Contractor shall at its own expenses have a completed first aid station on site and make arrangement for availability of an ambulance. This station shall be manned during all working hours.

Contractor shall ensure that its personnel and subcontractor's personnel maintain a high standard of hygiene during execution of the work. The contractor shall provide where necessary sufficient hygienic drinking water and hygienic toilet facilities to meet health and related regulatory requirements.

## **28. Health Risk Assessment**

Contractor shall identify the health hazards and create an inventory at the workplace, assess the risk to health associated with exposure to these agents, decide on the control measures required (if any), and remove or reduce the risk to health to a level "As Low As Reasonably Applicable" (ALARA).

## **29. Drugs and Alcohol**

The use, sale, dispensing or possession of drugs, narcotics and alcoholic beverages are strictly prohibited on the sites and at any place where the work is performed.

Contractor shall ensure that its personnel do not at any time, during the performance of the work, partake, bring onto the work site, or be under the influence of any alcoholic liquor, drug or other intoxicating substance. This prohibition shall also cover all legal or prescription drugs which may impair an employee's ability to perform his job safely.

The Project Owner reserves the right to randomly require contractor's or subcontractor's employees, to undergo drug and alcohol tests at any time which shall be arranged and borne by the Project Owner.

Shall any incidents or accidents occurred, the drugs and alcohol tests shall be conducted immediately at contractor's own cost.

Contractor shall ensure that each and every person engaged by it or on its behalf to perform any element of the work (including subcontractor) are advised on the local laws relating to the usage, selling, dispensing, importation and/or possession of drugs

## **30. Environmental Management**

Contractor shall establish and implement an environmental and social management system that details the practices, procedures and control measures for effective management of environmental and social aspects and impacts, as required by the relevant authority and the Project Owner.

Environmental and social aspects include, but not limited to:

- Use of resources, e.g. chemicals, water, energy, fuel, etc.
- Air emissions

- Waste water discharges
- Public nuisance, e.g. noise, odour, dust, etc.
- Wastes generation
- Stakeholder relations
- Internal and external grievance mechanism

Contractor shall develop a waste management plan in accordance with any requirements from the Project Owner and the relevant authorities. This plan shall cover waste inventory and their method of disposal. The contractor shall ensure the development of the plan and its approval by the Project Owner before any activity onsite. This plan shall be regularly updated as conditions change. Contractor shall handle, sort and dispose all types of wastes in conformance with the relevant procedures and requirements.

Contractor shall ensure spill prevention is practiced and in place, where necessary. E.g. chemicals/fuel is stored in durable containers, secondary containment at the chemical/fuel storage area and during handling of chemicals/fuel, etc. which are labeled properly.

Contractor shall constitute and implement a grievance mechanism for internal and external grievances. All valid grievances shall be recorded and resolved within 30 days. The actions to resolve a grievance shall also be recorded.

### **31. Emergency Response Preparedness**

Contractor, at its own cost, shall ensure there is adequate emergency response capability at site, which shall include at least the following;

- Emergency response procedures
- Firefighting equipment
- Fire prevention program
- First aid medical personnel and facilities

Contractor personnel shall be trained and competent in the use of firefighting equipment.

Contractor shall also ensure its first aiders are trained and competent to render such services.

### **32. Contractor Training Records**

Contractor shall provide adequate training to all its personnel to ensure that they have sufficient knowledge and skill to undertake the assigned tasks.

Contractor shall establish a document control system to maintain their training records.

### **33. HSE Performance Targets**

In line with the Project Owner's HSE policy, objectives and performance targets, contractor shall set appropriate HSE objectives, develop and implement HSE programs to achieve the set performance targets.

### **34. Contractor HSE Performance Reports**

Contractor shall compile and submit HSE performance report to the Project Owner on a monthly basis. Contractor shall ensure all HSE performance reports and records are maintained and updated as and when required.



### **35. Incident Notification and Investigation**

Any incident involving the Project Owner, contractor's, subcontractor's or any third party personnel, plant or equipment, shall be immediately reported to the Project Owner, irrespective of whether there is injury to personnel or damage to plant or equipment.

All incidents that resulted in or have the potential to cause and escalate serious injuries or property damage shall be suitably investigated and analyzed by contractor and reported to the Project Owner.

Contractor shall keep a copy of all incident reports at site.

Contractor is required to investigate and report any major accident to local authority in accordance with the regulatory requirements. The investigation and report shall not preclude any similar investigations and reports required by the governmental authority in accordance with any relevant laws and regulations and may be handled concurrently with them.

Contractor shall prepare a close-out report of its HSE performance complete with Incidents statistics when requested by the Project Owner.

### **36. HSE Statistics Board**

In line with the Project Owner's objective to promote safety awareness and safe working practices amongst all employees and contractor personnel, the contractor shall install a HSE Performance Scoreboard to highlight achievement/milestone of safe working hours of employees.

The contractor shall install the above at the site office. All lettering in the HSE Performance Scoreboard shall be of suitable sizes and visible. The HSE Performance Scoreboard shall be of acceptable material and all lettering in the board shall be of suitable sizes for visibility. The board shall contain the following information as a minimum in Turkish:

- Name of contractor
- Date (Start of Work)
- HSE Targets of the Project
- Best Achievement (Manhours, Year)
- Current Manhours Achieved (Manhours, Year)
- Date of Last Loss Time Incident
- Total Number of Loss Time Incidents to-date

**PART 3 – CONSEQUENCE MANAGEMENT FOR HSE NON-COMPLIANCE****1. List of Non-Compliance**

No	HSE-Non Compliance	Example of Cases	Category of Non-Compliance	Remark
1	Permit to Work (PTW)	Working without Permit To Work ("PTW")	Major	
		Working with expired PTW	Major	
		Non-compliance with PTW requirements	Major	
		Damaged or loss of PTW	Minor	
2	Chemical Handling	Failing to use personal protective equipment when handling hazardous chemicals	Major	
3	Personal Protective Equipment	Failing to use / Misusing /Modifying PPE/ Using substandard PPE	Major	
4	Energy Isolation	Failing to verify energy isolation before starting work	Major	
		Working with expired Physical Isolation Certificate(PIC)/Electrical Isolation Certificate(EIC)	Major	
		Non-compliance with PIC/EIC requirements	Major	
		Damaged or loss of PIC/EIC	Minor	
5	Working in Confined Space	Failing to obtain authorization before entering a confined space	Major	
		Working with expired Confined Space Entry (CSE) Permit	Major	
		Non-compliance with CSE Permit requirements	Major	
		Damaged or loss of CSE Permit	Minor	
6	Safety Equipment Bypass	Failing to obtain authorization before overriding or disabling safety critical equipment	Major	
		Working with expired Safety Critical Equipment (SCE) Bypass Permit	Major	
		Non-compliance with SCE Bypass Permit requirements.	Major	
		Damaged or loss of SCE Bypass Permit.	Minor	
7	Working at Height	Failing to protect yourself against a fall when working at height	Major	
8	Lifting Operations	Position yourself under a suspended load	Major	
		Working with expired Lifting Permit	Major	
		Non-compliance with Lifting Permit requirements	Major	
		Damaged or loss of Lifting Permit	Minor	
9	Ignition Source Control	Smoking outside designated areas in the process area.	Major	
		Bringing in potential ignition sources into process area without authorization.	Major	
		Non-compliance with Hot Work Permit requirements.	Major	
		Damaged or loss of Hot Work Permit.	Minor	
10	Substance	Tested positive for Alcohol.	Major	For drug

	<b>Misuse</b>	Tested positive for prohibited drugs.	<b>Major</b>	case, samples shall be sent to approved laboratory for confirmation. Personnel shall be banned temporarily until final test result is received.
11	<b>Driving</b>	Using mobile phone / walkie-talkie while driving Failing to follow speed limit Failing to use seatbelt Traffic violations e.g. driving / operating vehicle without license Parking violation e.g. unauthorized zone, obstructed other traffic, access way Overloading / transport material or passengers in unsafe manner	<b>Major</b> <b>Major</b> <b>Major</b> <b>Major</b> <b>Minor</b> <b>Minor</b>	
12	<b>Regulatory noncompliance</b>	Non-compliance with regulatory requirements	<b>Major</b>	
13	<b>Plant and Emergency Equipment</b>	Tampering with / Damaging plant or emergency equipment	<b>Major</b>	
14	<b>Criminal / civil offenses</b>	Criminal / civil offenses committed anywhere within the site – e.g. gambling, theft, falsification of documents, harassment, vandalism, sabotage or fighting	<b>Major</b>	
15	<b>Sleeping</b>	Sleeping while on duty	<b>Major</b>	
16	<b>Tools &amp; Equipment</b>	Misusing / Modifying / tools or equipment/ Using substandard tools or equipment.	<b>Major</b>	
17	<b>Others</b>	Any non-compliance not listed above.		Shall be based on decision made by the Project Owner.

## 2. Consequence Management for HSE Non-Compliance

Type of Non Compliance	Contractor's Personnel	Remark
<b>Minor</b>	1st offence – verbal warning 2nd offence – 1 day suspension from entering project site. 3rd offence – suspension up to 7 days from entering project site.	Repeated Minor offence for more than 3 times will escalate to Major offence.
<b>Major</b>	1st offence – suspension up to 1 month from entering project site. 2nd offence –Ban from entering project site.	

### 3. Process Flow on Consequence Management for HSE Non-Compliance

