

Appendix 2 – Ex-post Social Review Format

1. Information About Project	
Name & Location of Sub-project	Özmen 3 Geothermal Power Project, Manisa province
Project Sponsor	Sis Enerji Üretim Ticaret A.Ş.
Project Cost	85.328.479 USD
Installed Generation Capacity	19 MW
Key Dates of Implementation	<p>Beginning of land purchase: 31.08.2012</p> <p>Community level assessments: 17-19.04.2017</p> <p>Date of Pre-license : 04.05.2017</p> <p>Public Participation Meeting: 21.10.2017</p> <p>Last land purchase: 02.11.2016</p>
Project Components & Land Requirements	<p>Total land purchased for the project is 102.179 m²</p> <p>Electrical Control Building: 400 m²</p> <p>Inhibitor Building 90 m²</p> <p>Compressor House 90 m²</p> <p>Firefighting Pump Station House 140 m²</p> <p>Warehouse 400 m²</p> <p>Workshop 400 m²</p> <p>Administrative Building 250 m²</p> <p>Pipelines 4 km.</p> <p>Well head area (for each well) 150 m²</p> <p>ETL, hasn't been determined yet. The expropriation process for the ETL will be conducted by TEDAŞ. Yet the PAP's is not clear. ARAP/RAP will be prepared according to the situation when the PAPs are known</p>

2. Entitlement Matrix

Project Component	Project Impact	Category of Affected Person	Entitlement	Additional Provisions
Power Station	Permanent Land Take	Land Owner	Full replacement cost	-
Wells	Permanent land take	Land owner	Full replacement cost	-
ETL	Permanent land take for pole locations and easement for power lines	Land owner	Full replacement cost for pole locations +easement fees applied by law for power lines	Once easement is established for the power lines, lands will be made available for land owners and users to continue agricultural activities. However some limitations such as building structures of certain height etc. may apply to subject land.
Pipelines	Permanent land take	Land owner	Full replacement cost	-

3. Inventory of Land & Assets Acquired from Private Owners (Completely Volunteer Purchased) (Provided in Excel Sheet)	
3.1. Inventory of Land & Assets Acquired from Private Owners (Expropriation)	
Name of Owners/land user	Names of the owners can be found in Özmen 3 Land Acquisition Table
Project Component: Area(s) / plots(s) acquired (ha)	102.179 m ² area was purchased.
Owner's/user's total land holding (ha); % taken for project	56%

Land use: pasture, agriculture, residence, etc.	These lands were mostly farmlands, some of them have planted vines but the owners carried the vines willingly before they sell their lands, to another farmland they own. The cost of moving the vineyards were included in the compensations paid. The owner of these lands want to sell their lands to the company willingly because the market prices is about 20 – 25 TL/m ² but the company paid about 45-50 TL/m ² for the lands. The payments made for the lands were approximately 100% above the market prices.
Inventory of any structures or other fixed or productive assets (wells, fences, trees, field crops, etc) affected	There were no structure, no fixed or productive assets on the lands.
Indicate if land was rented or informally used by another party	The lands were not rented; and they weren't used by another party.
Indicate if non-owner users had assets, trees, crops, etc affected	No non-owner user.
Indicate if land-based activity is significant source of income for owner or land user	The owners of these lands are not making their living from these lands. All of the owners are living in Alaşehir.
Compensation paid (add transaction fee)	<p>Totally 4.171.814,13TL was paid to the land owners within the scope of voluntary purchase.</p> <p>Detailed information about compensations paid for each land owner is given on Sis Enerji Üretim Ticaret A.Ş. Land Acquisition Table.</p>
Dates delivered	28.09.2016, 29.09.2016, 20.10.2016, 01.11.2016, 02.11.2016, 06.02.2014, 20.12.2013, 18.04.2013 and 31.08.2012
Impact on income of owner	Acquisition has positive impact on income of owners because the owners are not using these lands for making their living. The owners have other income sources, they have other farmlands for planting or they own private jobs other than farming. So the owners indicate that the acquisition had positive impact at their income. During our site visit on 15 November 2017, interviews were made with land owners. They declared that they didn't buy other vineyards with the compensation paid but they bought lands other than vineyard or residences because income from viticulture is getting less every year.

3.2 Inventory of Public, Community, or State Land Acquired	
Land parcels / plots acquired (ha)	No public, community or state land
Land type / land use: Forest, commons for grazing, other	
Ownership: State, community, other. Structures or other fixed assets	
Compensation, land transfer, or other measures to mitigate impacts on land users. Specify measures and dates of delivery	

4.Consultations, Communications & Management of Grievances and Implementation Issues
<u>General Information About Project and Project Area:</u>
<p>The Project area is located in the Tekinköy Neighborhood of the Alaşehir District of Manisa Province. License area covers about 2,385.08 hectares .</p> <p>Baklacı Neighborhood is determined as the closest settlement to the Project with a distance of 1.46 km to the Project Site. The second closest neighborhood to the Project is Tepeköy with the distance of 2.90 km and the third closest neighborhood is Işıklar at a distance of 3.65 km.</p> <p>The aim of the Project is to generate 19 MWe electric power by means of utilizing the geothermal resources. The Project aims to produce approximately 144,000,000 kWh of electricity per year. The main components of the Project are the production wells, geothermal fluid transmission lines, reinjection wells and the power plant.</p> <p>The Project is comprised of drilling and operation of geothermal wells in Tepeköy Neighborhood of Alaşehir District, Manisa. The operation license was secured in January 2013 for a period of 30 years from the Manisa Provincial Special Administration.</p> <p>The power generation process is based on the binary production technology called Organic Rankine Cycle (ORC) which makes 100% reinjection possible. Operation will include air-cooled condensers, hence no white plume will be emitted in contrast to flash power plants that use geothermal steam directly. The secondary fluid used for the binary power generation system is n-butane, a working fluid with a low boiling point. Environmental impacts of an ORC power plant are very low as compared to the flash technologies.</p> <p>The site preparation activities are currently undertaken and planned to be completed in 6 months in total. The construction activities of the Project are expected to be completed in 6 months. The operation period of the Project is estimated to be 30 years.</p> <p>There is no public interest decision for the project. If there occurs a need of expropriation in the future, the company will follow the same procedure and purchase the lands voluntarily.</p>
<u>Consultations, Communications & Management of Grievances:</u>

The first land take was realized in 2012. When the company first entered the project site, they made meetings with land owners and gave information about the project and land take.

In the scope of the SEP Community level assessments were conducted between 17-19 April 2017 for the purpose of gathering primary data, and include the following:

- 6 focus group meetings held with women and men separately;*
- 6 in-depth interviews with the government agencies and non-governmental organizations in the district and the province.*
- Survey with mukhtars for community level surveys.*

Male and female participants have been separately involved in the focus group discussions so as to examine gender related concerns.

Some titles of the surveys related with land acquisition are below:

Population Level

Participants of the household survey stated that there have currently been no impacts of the Project regarding the magnitude of population. No impacts are anticipated for the future as well. Considering that employees would be from the local people during drilling works, the total employment for construction phase is 15 and operation phases is 25 people (5 Women), (mostly from local people) which would not account for a considerable population increase.

Focus group participants stated project staff has contributed positively to the local economy by means of shopping in the quarters in the AOL. Some of the household survey participants from the three quarters expressed their concerns regarding lack of information on environmental and health impacts of the Project. Either based on their experience or misinformation about other geothermal projects in the region, they fear that there would be an increase in environmental pollution and health risks.

Land Acquisition

As of now, all land purchase has been made in Baklacı neighborhood except one parcel (Ilgin village). Thereby, it can be stated that Baklacı is the most affected settlement in terms of land acquisition.

Land purchases have been made on willingness of sellers. All the participants of the household survey in Baklacı neighborhood stated their satisfaction for the land acquisition process and experienced no opposition. They assumed that the land acquisition was realized with the high market values and that now they have opportunities for different investments such as buying alternative agricultural lands in the area.

The land acquisition process was handled by setting prices higher than the market value considering the long-term income from agriculture is lost permanently. Project Company will guide farmers through community engagement toward investing in sustainable income sources. Majority of the project affected individuals have already purchased new lands for investment purposes, with their compensations from selling of land.

During the site visit held November 15, 2017 interviews were made with land owners. They especially indicate that the market prices for the lands are about 20-25 TL/m² for 2016 if they sell the lands to each other (villagers). But the land owners sell the lands to the company approximately 45-50 TL/m². Detailed unit prices for the lands can be seen in 'Land Acquisition Table'.

Local Economy and Employment

The most important contributor of the Project to the local economy is the employment provided in drilling works during construction.

It is estimated that a maximum of 15 workers will be required for the construction and 25 for the operation phases of the Project. Workers from the region will be given priority for employment opportunities. In addition, it was stated that temporary employment opportunities were created within AOL.

According to the statements of the participants from AOL it was understood that they were pleased with the employment opportunities created within the quarter.

The Public Participation Meeting (PPM) was conducted on October, 2017 at the village coffee house located in Baklaci neighborhood. The information regarding the date, place and scope of the meeting have been announced to the public via local newspaper named as '5 Eylül' on 21.10.2017. The Project officials also posted the PPM announcements at village coffee houses in the AOL. The Meeting included locals from the AOL, mainly locals from Baklaci neighborhood, and the Project officials.

Before the meeting, the brochures about the Project have been distributed to the locals with a brief foreknowledge about the context of the Meeting. The location, importance, characteristics, national EIA and ESIA process, construction and operation stage impacts and foreseen mitigation measures of the impacts, socioeconomic benefits of the Project and grievance mechanism have been presented in non-technical terms throughout the meeting. The local people directed their main suggestions, questions and concerns at the end of the presentation as follows;

- Whether the Project will cause impacts for in the future,
- Will there be any further drilling activities in the future,
- Further information on the reinjection system and,
- Potential odor impacts to the locals, if any.

The meeting was successful in terms of informing the locals about the Project and eliminating concerns regarding of the Project. This was also demanded by the locals during the baseline studies on April 2017, therefore, addressing questions and explaining the Project technology helped locals to acknowledge the purpose, benefits and potential impacts of the Project.

Since the baseline studies, it has been observed that there was no concern or prejudgment regarding to this Project from the locals. The locals specifically stated that the Project Company is highly involved in terms of locals' concerns and development of the affected neighborhoods. As a result, the meeting has been successful in terms of all parties.

The Grievance Mechanism

Since the beginning of the Project Activities, Public Relations Officer (PRO) of the Project Company, Harun Yücel, has been appointed to engage with local communities and authorities of the Project Region. According to observations made during mukhtar interviews, focus group discussions and local authorities, PRO of the Project was acknowledged and had sufficient one – on – one relation with the stakeholders.

A formal grievance mechanism will be developed on February, 2018 which will also allow stakeholders to raise concerns or complaints personally as well as via post or electronic mail. Also, Project Company will place grievance boxes in the coffee houses of each neighborhood of the AOL. These grievance boxes will be cleared once a week and a record of the complaints along with date and name of the complainant (if available) with an allotment of registration number will be maintained in a "Grievance Log".

The procedure seeks to address concerns promptly and be readily accessible to all affected stakeholders. The PRO will confirm receipt of a complaint within 7 days and find a resolution within 14 days, confirming this in writing to the complainant.

Through the formal mechanism, stakeholders will be able to share their opinions and grievances via a range of options such as web sites, letters and face to face meetings during all future phases of the Project. Feedback will also be provided to demonstrate how their comments and suggestions have been incorporated into the Project decision-making process in the second public participation meeting and this process will be continue in all phases of the Project.

The formal grievance mechanism was introduced to the locals through the Public Participation Meeting so that they are aware of the process, know they have the right to submit a grievance and understand how the mechanism will work and how their grievance will be addressed. During the PPM, a presentation of the grievance form and the following procedures of the mechanism was introduced. Although attendees of the Meeting acknowledged the PRO previously, the communication information of the PRO was provided again through the slide show as well as Project Brochure. Also, Project Brochures were distributed to the Baklaci neighborhood's coffee house, in which, includes the communication information of the PRO. In most cases, a grievance or complaint will be submitted by a stakeholder or local resident by phone, in writing or by speaking with one of the company's PROs.

A separate grievance mechanism will be established for Project workers. Once finalized, this process will be managed separately from the public grievance mechanism, but employees will retain their right to access the public grievance mechanism for non-employment-related issues. The grievance mechanism should guarantee confidentiality. Workers will be given the possibility to lodge grievances both through workers representatives and unions and independently, personally, regardless of the matter of the complaint. Anonymous lodging will also be made possible (grievance boxes). The Grievance Procedure will be free, open and accessible to all and comments and grievances will be addressed in a fair and transparent manner. Information about the procedures, who to contact and how, will be made available. In particular all workers will be informed of the Grievance Mechanism and new workers will be informed when they join the Project. Information on Contact Points will be posted on staff information boards and on site information boards.

Grievance procedures will be coordinated through the already assigned PRO, who is the primary interface between the community and the Project Company. Confidentiality procedures will be put in place to protect the complainant, as appropriate.

Numerous channels will be used for stakeholders to submit any complaints and requests:

- ❑ Telephone – All incoming calls will be registered and information summarized daily and sent to the relevant department for processing and action in accordance with the grievance procedure outlined above.
- ❑ Electronic channels – Stakeholders have the opportunity to send comments, remarks, requests and complaints via the official website of the Project Company.
- ❑ Post – Mail can be used by stakeholders for submission of their queries/requests/complaints/remarks for consideration by the PRO. All incoming letters will be documented and stored as well as the responses sent to the originating party in accordance with the grievance procedure outlined above.

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☒ Any queries/requests/complaints/comments can be brought to the attention of the Project Company verbally or written (e-mail) or by filling in a Grievance Form which will be available in the project site office

Detailed information about the process of the grievance mechanism can be found in SEP.

Identification of Vulnerable PAPs:

The land owners subject to the land take activities of Özmen 1 and Özmen 3 are completely different persons. Thus, there are no vulnerabilities in terms of multiple land take. No vulnerable PAPs have been identified under the scope of the project. The 'vulnerable groups' identified in the SEP are the groups within the AOL (The villages nearby). Detailed information about vulnerable groups within the AOL, can be found in SEP.

The assistance to the villagers within the context of corporate social responsibility of the project sponsor.

- Floor Heating and Air condition Systems were built-in for Baklacı village mosque by the company
- Air conditioning system was built-in for Tepeköy mosque by the company.
- Wall and paint works were done for Şahyar village primary school by the company.
- Sponsorship for the Alaşehir Municipality football team, season 2016-2017.
- Maintenance of vineyard roads.
- Providing water pump and constructing electrical works for the Celal Bayar University, junior technical college application land of vine.
- Totally 36 persons from the villages, were occupied for the Project.
- 100.000 trees were planted at Alaşehir district, Kestanederesi.
- The company gave sapling support for planting walnut trees under surveillance of Agriculture District Directorate.
- The company grant scholarship for some of the villagers' children. (the names of the children are confidential.
- Approximately 100 people have been benefitted from these CSR activities.