GÖKIRMAK COPPER PROJECT

Environmental and Social Impact Assessment (ESIA)

Non-Technical Summary (NTS)

2017

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29.09.2017

Prepared By
Environment & Social Department (Acacia)
AECOM Turkey
SRM Consultancy
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1. INTRODUCTION

1.1 What is the purpose of this document and who has prepared it?

This non-technical summary (NTS) has been prepared as part of the Environmental and Social Impact Assessment (ESIA) studies conducted for the Gökırmak Copper Project (GCP) and it aims to describe the project, the key findings of the environmental and social impact assessment (ESIA) and outlines AMI approach to the management and monitoring of identified environmental and social issues and risks throughout the lifetime of the Gokirmak Copper Mine. Lifetime refers to pre-construction, construction, operations and decommissioning.

1.2 What is the Gökırmak Copper Project?

The Gökırmak Copper Project (hereinafter referred to as “GCP”, “the Project”), is an open-pit copper mine project located in Hanönü District of Kastamonu Province in Northern Turkey. Acacia Maden İşlettleri A.Ş. (hereinafter referred to as “AMI”, “Acacia”, “the Company”), established in 2007 under the name Asya Maden İşlettleri A.Ş., is the owner of GCP. In 2011, a partnership was formed with İlbak Madencilik Sanayi ve Ticaret A.Ş. Following a partnership deal with Akfen Mühendislik A.Ş. in 2016, the Company is conducting its operations under its current name, Acacia Maden İşlettleri A.Ş.

Following 2.7 years (32 months) of earthworks and construction activities, the construction phase is projected to be finalised in April 2018, followed by an estimated copper concentrate production of 11.3 years during Project’s operation phase. The reclamation and mine closure period will take an additional 2 years. In total, the lifetime of the Project is estimated to be approximately 16 years, including earthworks, construction, operation and closure.

The Project involves land preparation phase and the construction, operation and closure of the following main units:

- Open Pit
- Process Plant
- Çorakoğlu Waste Rock Dump (WRD)
- Kepezkaya Tailings Storage Facility (TSF)
- Bağdere TSF(subject to confirmation after additional review whether it is needed)
- Tailings Pipeline
- Other auxiliary facilities (administrative building, warehouse, topsoil storage areas etc.)

In addition to the main units, the associated facilities of the Project are as follows:

- Gökırmak River Diversion System
- Energy Transmission Line (ETL)

A simplified flowsheet describing the operation phase activities is presented in Figure 1-1 and a brief description of how the mine will work is provided below:

- A total of 22 million tons (MT) of ore at 1.50% Cu is planned to be produced by open pit mining, where the ground is excavated to reach the ore.
- The mined ore will be fed to the processing plant after transport by haulage trucks, where it will be crushed, ground and enriched by flotation process.
- The copper enrichment process will generate a type of process waste, tailings. The tailings from the processing plant will be transferred by a 3.8 kilometer (km) pipeline to Kepezkaya Tailings Storage Facility (TSF).
- In the open pit, some of the excavated rock will constitute waste rock, since its copper concentration is not sufficient for commercial purposes. The waste rock will be transported by trucks to Çorakoğlu Waste Rock Dump (WRD) and stored there.
- A 28.8 km, 34.5 kV ETL will provide electricity to the Project.
- A River Diversion System has been put in place for the operation phase to divert the 1.5 km section of the Gökırmak River through two tunnels, since the original river bed was coinciding with the northern section of open pit.
Figure 1-1 Flow Chart for Operation Phase
1.3 Where is the Gökirmak Copper Project?

The Project is located approximately 5 km southeast of Hanönü District of Kastamonu province. The Project Location Map is provided in Figure 1-2, the main Project layout together with the license and EIA areas is presented in Figure 1-3 and the Project Layout with the Energy Transmission Line (ETL) is presented Figure 1-4. Various alternative studies were conducted, especially to identify the location and technology of the Tailings Storage Facilities (TSFs), as well as the location and extent of the Waste Rock Dump (WRD) area, to ensure that most feasible and environmentally and socially sound alternatives are opted for.

The closest settlements to the Project are Hanönü Merkez (Central) District’s Yılanlı neighborhood (290 metres to TSF), Vakıfgeymene Neighborhood (Dereköy (428 m to open pit), Sepetçioğlu (182 m to open pit) and Geymene (542 m to processing plant) settlements), Kureçay Village (920 m WRD) and Bağdere Village (604 m to processing plant). Minimising potential resettlement and economic displacement were key issues in the consideration of alternatives for project layout and associated facilities.
Figure 1-2 Project Location Map
Figure 1-3 Project Layout, License Areas and EIA areas
Figure 1-4 Project Layout with the ETL
1.4 What environmental and social studies have been undertaken?

For the Project, a total of four national Environmental Impact Assessment (EIA) studies were conducted:

- EIA Not Required Certificate secured from Kastamonu Provincial Directorate of Environment and Forestry on October 03, 2011 for underground mining, which initially was the selected mining alternative.
- EIA Positive Certificate secured from the Ministry of Environment and Urbanization secured on July 03, 2013 is applicable for the Process Plant (3 Mt).
- EIA Not Required Certificate secured from Kastamonu Provincial Directorate of Environment and Urbanization on April 15, 2014 is applicable for Küpeli Storage Area.
- EIA Positive Certificate secured from the Ministry of Environment and Urbanization on February 04, 2015 is applicable for all Project units, except the Process Plant and Küpeli Storage Area.

However, additional environmental permits and approvals will be required for some of the Project units during the operation phase (see Section 2.4 What other permits does AMI need? for details).

In addition to the national EIA studies, AECOM Turkey and SRM Consultancy (“SRM”) have been retained by AMI to develop a fit for purpose ESIA disclosure package of the Project in line with EBRD Environmental and Social Policy and Performance Requirements on financing the Project, which is independent of the permitting process as required by the national competent authorities.

1.5 Who has conducted environmental and social impact assessment studies?

The environmental baseline, including review of the former EIA studies, environmental sampling and analysis, and impact assessment studies within the scope of the ESIA process have been carried out by AECOM Turkey. All the assessments for environmental subjects, occupational and community health and safety, cultural heritage and cumulative environmental impacts have been compiled under the EIA Report (Volume I).

In parallel, social baseline and impact assessment studies including site surveys within the scope of the ESIA process has been carried out by SRM with a wide range of key stakeholders including representatives of local communities (i.e. village headmen, affected landowners/users, wider community members including women), employees from the local, local governmental bodies, media, non-governmental organizations, local business enterprises and cooperatives in 2015-2016. In this scope, besides the in-depth interviews, meetings with public institutions and focus groups meetings done with relevant stakeholders, three community meetings were conducted in the selected Project affected settlements. Stakeholder engagement is a pre-requisite which must be carried out to keep communities and others who have a “stake” in the project of whatever type to be kept informed and to be able to have their views known. Typically the stakeholder engagement exercises also provide useful information for the social analysis.

All the assessments including cumulative impacts and findings of the consultations done have been compiled under the SIA Report. There is a cumulative impact assessment that addresses existing and planned investments in the Project area. Planned investments impact was assessed with the data available at the time of study which was very limited. Whilst there is a report on influx management, at this stage it only considers migration due to the project itself, as there is limited information available on detailed assessment of cumulative impact as a result of other major infrastructure developments in the area. Both reports will need be reviewed in the future once the details of planned projects are disclosed. (Volume II).

Technical documents have also been prepared by other consultants to support the overall ESIA process and the impact assessments. As complementary to the ESIA process, an Environmental and Social Management System (ESMS) outline, various policies and E&S management plans have also been prepared. The ESMS will be used by AMI to manage all of the environmental and social risks identified by the ESIA and to ensure full compliance with EBRD standards (see Section 5 for details). The E&S management plans are listed in the Table 1-1.
### Table 1-1 ESIA Disclosure Package

The ESIA Disclosure Package consists of the following:

- ESIA Report in 4 volumes
- Environmental and Social Management and Monitoring Framework Plan (ESMMFP)
- Non-Technical Summary
- and Environmental and Social Management Plans (ESMPs) including:
  - Air Emissions Management Plan
  - Biodiversity Management Plan
  - Community Health and Safety Management Plan
  - Contractor Control Management Plan/Procedure
  - Cultural Heritage Management Plan
  - Emergency Action Plan
  - Emergency Preparedness Plan for Kepezkaya TSF
  - Erosion and Sediment Control Plan
  - Fire Prevention and Fire Protection Plan
  - Hazardous Materials Management Plan
  - Influx Management Plan
  - Labour Management Plan
  - Livelihood Restoration Plan (LRP)
  - Local Procurement Plan
  - Noise and Vibration Management Plan
  - Occupational Health and Safety Plan
  - Oil and Chemicals Spill Response Plan
  - Preliminary Mine Closure and Rehabilitation Plan
  - Security Management Plan
  - Stakeholder Engagement Plan (SEP) and grievance procedure
  - Supply Chain Management Plan
  - Transport/Traffic Management Plan
  - Waste Management and Pollution Prevention Plan

In addition to the ESIA package, an Environmental and Social Action Plan (ESAP), which based on the results of E&S Audit will be developed in order to address specific issues associated with the Project construction works and AMI operations, and it will be disclosed in due course.

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In summary, the ESIA Report includes the assessment of environmental and social impacts of the Project in line with EBRD PRs and is compiled in four volumes as below:

**Volume I** – EIA Report prepared by AECOM (including occupational health and safety, community health, safety and security, cultural heritage)

**Volume II** – SIA Report prepared by SRM

**Volume III** – Technical Reports supporting the EIA and SIA Reports

**Volume IV** – Environmental and Social Management Plans prepared by AMI, AECOM and SRM
In addition to all of the above mentioned studies conducted within the scope of the ESIA Disclosure Package, multiple studies in recent years to assess the environmental and social impacts likely to be associated with the Project have also been performed by AMI. A list of these studies is provided in the table given below.

<table>
<thead>
<tr>
<th>Company</th>
<th>Technical Documents Produced</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(2) Asya Maden İşletmeleri Gökürmack Copper Mining Project Grievance Procedure (2015)</td>
</tr>
<tr>
<td></td>
<td>(3) Gökürmack Copper Project Feasibility Study (2015)</td>
</tr>
<tr>
<td></td>
<td>(4) AMI Gökürmack Copper Mining Project Local Procurement Procedure (2016)</td>
</tr>
<tr>
<td></td>
<td>(5) Gökürmack Copper Project – Feasibility Study (May 2017)</td>
</tr>
<tr>
<td></td>
<td>(6) Gökürmack Copper Project – Updated Detailed Feasibility Study (July 2017)</td>
</tr>
<tr>
<td>AECOM</td>
<td>(1) Gökürmack Copper Project Preliminary Mine Closure Plan (2015)</td>
</tr>
<tr>
<td></td>
<td>(2) Gökürmack Copper Project Environmental and Social Assessment and Management Review (2015)</td>
</tr>
<tr>
<td></td>
<td>(3) Environmental and Social Management Plan for Gökürmack Copper Project (2015)</td>
</tr>
<tr>
<td></td>
<td>(5) Hydrochemical Characteristics and Water Quality Assessment Study for the Gökürmack Copper Project (2015)</td>
</tr>
<tr>
<td></td>
<td>(6) Flora and Habitat Assessment Report for Gökürmack Copper Project (2015)</td>
</tr>
<tr>
<td></td>
<td>(9) Hydrogeological Characterization for the Gökürmack Copper Mine Project (2017)</td>
</tr>
<tr>
<td>AMC</td>
<td>(1) Gökürmack Copper Project Pit Design and Schedule Optimization Report (2017)</td>
</tr>
<tr>
<td></td>
<td>(2) Updated Detailed Feasibility Study of Gökürmack Copper Project (2017)</td>
</tr>
<tr>
<td>Discworld</td>
<td>(1) Operational Geology Standard Operating Procedures for Gökürmack Copper Project (2016-2017)</td>
</tr>
<tr>
<td></td>
<td>(2) Hanönü Open-Pit Copper Mine Project, Project Description Report (2014)</td>
</tr>
<tr>
<td></td>
<td>(3) Hanönü Open-pit Copper Mine Capacity Increase Project EIA Report (2014)</td>
</tr>
<tr>
<td></td>
<td>(2) ARD/ML Characterization of Rock Samples By Static Testing, Gökürmack Copper Project, Kastamonu (December 2016)</td>
</tr>
<tr>
<td></td>
<td>(3) Final Report on Geochemical Characterization by Kinetic Testing of Lithologies at the Gökürmack Copper Project, Kastamonu, Turkey (December 2016)</td>
</tr>
<tr>
<td></td>
<td>(4) Results of Mass Balance / PHREEQC Modeling of the Open Pit Sump and Lake at the Gökürmack Copper Project, Kastamonu, Turkey (July 2017)</td>
</tr>
<tr>
<td></td>
<td>(5) Results of Mass Balance / PHREEQC Modeling of the Waste Rock Dump at the Gökürmack Copper Project, Kastamonu, Turkey (May 2017)</td>
</tr>
<tr>
<td></td>
<td>(6) PHREEQC Modeling of the Kepezkaya Tailings Storage Facility Seepage at the Gökürmack Copper Project, Kastamonu, Turkey (June 2017)</td>
</tr>
<tr>
<td>Golder Associates</td>
<td>(1) Risk Assessment for Kepezkaya Tailings Storage Facility (2016)</td>
</tr>
<tr>
<td></td>
<td>(3) Risk Assessment for Kepezkaya Tailings Storage Facility (April 2017)</td>
</tr>
<tr>
<td></td>
<td>(4) Scoping Study for Alternative Disposals for TSF (May 2017)</td>
</tr>
<tr>
<td>MineRP</td>
<td>(1) Geotechnical Aspects for Gokirmack Copper Project, Volume I of III (2017)</td>
</tr>
<tr>
<td></td>
<td>(3) Geotechnical Standard Operating Procedures for Gokirmack Copper Project, Volume III of</td>
</tr>
</tbody>
</table>
1.6 Where and when can I see the ESIA?

Starting from 29 September 2017, the ESIA Disclosure Package (ESIA Report, SEP, ESMMFP and NTS) will remain disclosed for 60 days in the following websites and locations for public review:

- EBRD website: [http://www.ebrd.com/esia.html](http://www.ebrd.com/esia.html) and Residential Offices (Istanbul and Ankara)
- AMI Office / Ankara: Kazım Özalp Mah., Karaca Sok., No:32/7, Gaziosmanpaşa - Çankaya /ANKARA
- AMI Office / Hanönü: Hanönü Mahallesi, Ali Sakallı Caddesi, No: 26, Hanönü / KASTAMONUAt the office of Hanönü Municipality
- Hanönü District Governship
- Hanönü Municipality

1.7 Can I make comments about the ESIA?

AMI encourages and welcomes all comments to be provided by any interested party. It will seek to answer and reply to any and all questions raised and comments provided during the 60 day disclosure period. In order to ensure all questions and comments are received and responded appropriately, AMI will conduct meetings during the disclosure period. Meetings, accessible to any interested party, will be held in Hanönü Municipality and all of the identified nearby settlements (see details in the SEP). Meeting dates will also be disclosed at least three weeks prior to the meetings to allow enough time for the stakeholders to review and absorb the disclosed documents, at AMI Community Affairs Office, on the AMI website and on local media outlets. Village headmen will also be informed of these meetings in advance and will play a key role in ensuring that local people are aware of any meetings to be conducted at a nearby location. Special attention will be given and appropriate measures applied so that vulnerable people have access to and can make comments on the ESIA. Different communication modes will be used to disclose the Project to the identified vulnerable groups. Disclosure meeting will be held in a public and central place that is easily accessible for most of the PAPs in the area. Transportation support will be provided for the elderly and PAPs with disability and limited mobility. Women's participation is critical for ESIA disclosure and separate women disclosure meetings will be organized in order to ensure participation of women.
2. **PROJECT DESCRIPTION**

2.1 How much copper is there?

The latest feasibility study (June 2017) confirms that a total of 22Mt of ore at 1.50% Cu is planned to be excavated and sent to the processing plant for enrichment.

As a result of ore production, on average 2 Mt per annum ore will be fed to the processing plant. The processing plant is expected to operate at 85% recovery, having a total production of approximately 1.28Mt of dry concentrate with a copper grade of 22.0% throughout the life of the mine.

2.2 What studies have been conducted to identify the mineral deposit?

Earlier geotechnical drillings by the General Directorate of Mineral Research and Explorations, testing the area's suitability to build a dam on the Gökİrmak River had intersected massive sulphide mineralization. Later in 2006, the exploration licence AR200604276 was acquired by AMI to explore in and around the ancient Üvezildere gallery. In 2011, an extensive programme of exploration drilling, detailed geotechnical drilling, hydrogeological drilling and monitoring, and other detailed geological exploration activities were completed to enable reporting of Mineral Resources and Ore Reserves. A detailed feasibility study was issued in early 2014, followed by a drilling programme to upgrade the Mineral Resource classification.

AMI were contracted in early 2015 to complete a gap analysis on the former detailed feasibility study. This resulted in AMC being retained to complete an updated feasibility study in 2015, and then again in 2017, when additional information from further detailed studies became available.

2.3 Does the Project have a mining license?

AMI holds two separate Mining Licenses (No. 20064276 and 201000713) for the Project as shown in Figure 1-3. The Mining License No. 20064276 covers an area of 1,950 ha and the Mining License No. 201000713 covers an area of 1,997 ha, making up a total licensed area of 3,947 ha.

2.4 What other permits does AMI need?

Currently, AMI holds all required permits to initiate construction and operation activities of the Project. Additional permitting to be required for operation phase are described below:

- AMI holds required permits and approvals to initiate earthworks/construction/operation activities of the open pit and Çorakoğlu WRD. According to the latest feasibility and design studies, design of these units was modified. Consequently, portions of the ultimate pit and Çorakoğlu WRD will exceed the EIA permitted area. AMI commits that permit applications for these areas will be done after construction is completed and in line with National Legislation.

- AMI holds a special approval (dated 22 April 2014) issued by the General Directorate of Mining Affairs (MİGEM) for the use of Çorakoğlu WRD site, as the site is not included in the scope of a mining license. Therefore, in order to obtain the above mentioned EIA permitting, MİGEM's approval for use of the additional area for WRD purposes must also be obtained.

- A section of tailings pipeline is also located outside of the mining license areas and corresponds to areas governed by authorities other than MİGEM. For construction and operation of this section, AMI obtained necessary approvals from related authorities and a protocol letter will be agreed on, as required by State Hydraulic Works.

Other permits required for Project activities and their status are given below:

<table>
<thead>
<tr>
<th>Permit</th>
<th>Related Authority / Entity</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit for Use of Forest Land for Mining Related Activities and Facilities</td>
<td>Provincial Directorate of Forestry</td>
<td>Obtained between 16.07.2014 and 28.10.2016. To be obtained for Bağdere TSF, before this unit becomes operational in the future</td>
</tr>
<tr>
<td>Permit for Use of Agricultural Land for Non-Agricultural Purposes</td>
<td>Provincial Directorate of Food, Agriculture and Livestock</td>
<td>Applied on 01.03.2017</td>
</tr>
</tbody>
</table>
2.5 What standards will be applied to the Project?

AMI will comply with the following standards:

- National legislative requirements and all national permits, licenses and approvals applicable to the Project,
- EBRD Environmental and Social Policy (May 2014) and Performance Requirements (PRs),
- Equator Principles,
- European Union (EU) legislative requirements (the EBRD, as a signatory to the European Principles for the Environment, is committed to promoting the adoption of EU environmental principles, practices and substantive standards by EBRD financed projects, where these can be applied at the project level, regardless of their geographical location),
- UN Guiding Principles Business and Human Rights (UNGPs),
- Other good international industry practices (GIIP) as stated in the ESIA,
- International Conventions and Protocols to which Turkey is a party, and
It should be noted that, for any Turkish regulation that is different from EU substantive environmental standards, the Project will meet whichever is more stringent.

In addition to the Project standards set by AMI and the ESIA Disclosure Package, AMI is also planning to have ISO 9001 Quality Management System, ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety Management System certifications in place for operation phase.

### 2.6 Will AMI pay taxes and royalties?

In total, US $36.9 million is estimated to be paid for royalties and US$79.2 million is estimated to be paid as income tax during the lifetime of the Project. ACACIA Mining is registered to Cumhuriyet Tax Office, located in Ankara. According to the 14th article of Mining Law: “25% of the state right reserved by the license holder is transferred to the special administrations of the province where it is registered as a special provincial administration share and 50% is transferred to the villages of the related districts or districts for the use of infrastructural investments limited to 25% is also deposited in the treasury account.”

### 2.7 Who uses the land now and will they be affected?

#### Land Area Impacted

The land on which the Project and its associated facilities are located consists of forests, public and private plots. A total of 4,122.3 decares of land was acquired for Project’s facilities that include open pit area, processing plant, tailings facility, waste dump sites, access roads and transmission lines (See Table just below). Majority of the land impacted by the Project belongs to Forestry (79%), followed by Private land (13%) and Treasury (6%). Land acquisition of private land comprises of 537.5 decares of land acquired for Project’s main facilities and transmission line. 299 decares of private land impacting 91 parcels in total in Vakıfgeymen and Merkez neighborhoods were acquired through willing buyer seller negotiations for Project’s main facilities. All land required for the first phase of the Project is acquired. Land acquisition for future phases of the Project will depend on Project needs and is currently undetermined.

<table>
<thead>
<tr>
<th>Land Type</th>
<th>Ownership (decares)</th>
<th>Easement (decares)</th>
<th>Total land (decares)</th>
<th>Number of parcels</th>
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</thead>
<tbody>
<tr>
<td>3rd party</td>
<td>_</td>
<td>33.99</td>
<td>33.99</td>
<td>22</td>
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<td>Municipality</td>
<td>_</td>
<td>20.31</td>
<td>20.31</td>
<td>12</td>
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<tr>
<td>Treasury</td>
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<td>232.90</td>
<td>232.9</td>
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<tr>
<td>Forestry</td>
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<td>3,251.8</td>
<td>10</td>
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<tr>
<td>Private Acquisition</td>
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<td>_</td>
<td>299.84</td>
<td>91</td>
</tr>
<tr>
<td>Private expropriation*</td>
<td>_</td>
<td>224.45</td>
<td>224.45</td>
<td>357</td>
</tr>
<tr>
<td>Private leased</td>
<td>_</td>
<td>13.27</td>
<td>13.27</td>
<td>10</td>
</tr>
<tr>
<td>Unregistered (riverbed etc)</td>
<td>_</td>
<td>45.77</td>
<td>45.77</td>
<td>73</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>299.84</strong></td>
<td><strong>3,822.49</strong></td>
<td><strong>4,122.33</strong></td>
<td><strong>610</strong></td>
</tr>
</tbody>
</table>

Source: Acacia

#### Measures to Reduce Area of Land Impacted

In order to reduce land acquisition impact, AMI has improved the capacity of the Corakoglu Waste Rock Dump so that additional land is not acquired for waste rock. Moreover, AMI decided to use existing land for ore storage rather than acquiring additional land designated for ore storage in the national EIA. Furthermore; AMI decreased land use in Yılanlı Forestry area by 4.8 ha; and built an additional access road which does not only avoid village traffic but also acts as a fire access road to be used in forest fires. AMI canceled the use of explosive storage unit and preferred to use underground tailing pipeline for tailings dismissal from plant site to tailings storage facility to minimize land acquisition impact.

AMI has built 2 underpasses to 4 access points to minimize disturbance to Project affected settlements and to provide residents and their livestock with safe access to surroundings. Moreover, land acquired for open pit will be fenced off for animal health and safety. AMI has built a separate road for transporting materials from open pit to processing plant in order to minimize use of public roads.
Mitigation Measures

Impact is identified on access to pastures used for grazing purposes by some of the community members in Vakıfgeymene village. In order to mitigate adverse impact AMI has purchased an alternative pastureland within the same village and provided access road to the newly acquired pasture. Moreover, land acquired by the Project but is not needed for operations (near Kepezkaya TSF site) will be made available to communal use for agricultural purposes. In order to minimize impact to neighboring settlements that may be influenced from the newly built road between the open pit and processing plant, AMI is building two underpasses and 4 passages to enable safe access. In addition to above measures, AMI has also developed a Livelihood Restoration Plan (LRP). The goal of the LRP is to ensure that land loss of the Project does not trigger any economic displacement and it includes income generation activities such support to agricultural activities, improvement of pastures, skill development and vocational trainings and support for local cooperatives and entrepreneurship etc.

2.8 What is the planned Project schedule?

The earthworks and construction activities of the Project are estimated to take approximately 32 months and the operation period is anticipated to last a total of 11.3 years. The rehabilitation works/closure period, on the other hand, is expected to take 2 years, following the completion of mine operations.

As of December 2016, construction of all river diversion system structures on Gökïrmak River (2 tunnels, and upstream and downstream cofferdams), waste haulage roads and the ETL are completed, whereas construction of the processing plant and overburden stripping operation are ongoing, and are planned to be completed by April 2018.

According to current schedule, the Project is planned with the following phases:

<table>
<thead>
<tr>
<th>Phase (for peak)</th>
<th>Unskilled</th>
<th>Skilled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Phase</td>
<td>618</td>
<td>179</td>
</tr>
<tr>
<td>Operation Phase</td>
<td>362</td>
<td>134</td>
</tr>
</tbody>
</table>

Source: Acaica Mining, 2017

2.9 How many people will work at the mine?

GCP’s construction phase personnel (incl. AMI and contractor personnel) numbers peaked at 432 and 406 in the years 2015 and 2016 respectively. It is estimated that construction phase peak personnel number for 2017 is 797 and will be reached in December 2017.

During the operation phase of the Project, peak personnel requirement will be 496, consisting of a total of 160 AMI personnel and 336 mining contractor personnel.

2.10 Will the Project create job opportunities for local communities?

The Project will emphasize local recruitment especially from Project affected settlements. In addition to livelihood restoration programs, local employment will play an important role to mitigate impact and to improve income levels of affected settlements. AMI is committed to employing local project affected people (PAPs) at the mine. In order to assess local employment impacts and maximize the benefits, the Project has prepared a Local Employment Policy, Labour Management Plan and an Influx Management Plan. Local employment will be ongoing for the life of mine, AMI will implement skills building programs and on the job training programs with partnering organizations to develop a skilled local workforce for contractors/AMI. Also a separate Community Development Framework is prepared which sets out the key principles and approach for future capacity building and skill development activities that will be undertaken by AMI in close coordination with key local institutions.
AMI aims to recruit 100% of unskilled employees and 50% of semi-skilled employees from the directly-affected local settlements. It is expected that the remainder of employees will live in Hanonu and in Taskopru. A shuttle bus system will transport staff between the mine and residential areas for each shift (there will be three shifts per 24 hour period, with shift duration in accordance with Turkish law). The shuttle busses will be rented from a local services company. Personal vehicles will not be permitted on the mine site.

The presence of the mine will also through the multiplier effect lead to further employment. Specifically it will lead to “indirect” employment. In the AMI supply chain jobs will be created from those employed directly and indirectly in companies from which the mine buys goods and services. There will also be some induced employment from the expenditure of mine employees and the expenditure of employees of companies from which the mine buys goods and services.

2.11 Will the Project create opportunities for local suppliers?

AMI and subcontractors will prioritize local procurement in order to boost local economy and support local entrepreneurship. To achieve this objective in the most effective manner and maximize the Project benefits to the local entrepreneurs, AMI has prepared a Local Procurement Plan and Procedures.

AMI has developed plans to maximize local procurement and policies to maintain business ethics and transparency. The Gökimak Copper Project is estimated to have a total expenditure of US$1 billion (based on US$3 copper price) over the life of the mine (excluding taxes and financing) which will provide increased revenue to the State budget, provide employment for direct employees and provide opportunities for local businesses and contractors. In addition to these expenditures AMI will pay US $36.9 million for royalties and US$79.2 million income tax during the lifetime of the Project. 25% of the state royalties paid by AMI is transferred to the special administrations of the province where the mine is located, 50% is transferred to the villages of the related districts or districts themselves for the use of infrastructure investments and 25% is deposited in the treasury account of central government.

AMI and its main contractors are committed to purchase the majority of goods and services from local suppliers and contractors wherever it is possible. Please refer to Local Procurement Procedure. The majority of the total Project expenditure will be in Turkey and AMI has identified items which it intends to procure mostly locally but also nationally:

- Diesel will be supplied from one of the major oil companies in Turkey.
- Civil works contracts and materials;
- Maintenance and repair of cars and heavy equipment;
- Transportation services for the mine workforce;
- Car rentals;
- Fuel for light vehicles;
- Catering services for the mine workforce;
- Office furniture;
- Stationery;
- Cleaning and laundry services.

2.12 How will AMI reach the site?

A map showing the roads that will be used within the scope of the Project is presented in Figure 2-1.

Main access to the site will be provided from the Kastamonu-Sinop State Road. The Project office is located on Kastamonu-Sinop State Road and the distance from the office to the main access junction is 4.4 km (towards west of the office). From this point, an existing 1.7 km village road will be used for access to the on-site administrative building, located north of open pit and south of Çorakoğlu WRD (see Figure 1-3).

Existing road (1.8 km) will be used for access between the Kepezkaya TSF and the Kastamonu-Sinop State Road located southwest of the TSF. This road was completely improved for Project activities.

3.3 km of existing village roads, consisting of a 2.3 km road and a 1 km road the former one, will be used for access between the Process Plant and the Kastamonu-Sinop State Road. Of these, the 2.3 km road connecting the Process Plant to the remaining 1 km road was improved for Project activities.

In Traffic Management Plan, road safety measures are identified to mitigate potential road safety impacts on local affected communities.
2.13 How will AMI get a power supply to the mine?

Power will be supplied from the national grid at the Taşköprü transformer station through a 34.5 kV, 28.8 km long overhead transmission line.

Construction of the ETL is completed and a contract regarding provisional acceptance and transfer of the ETL was signed between AMI and Başkent Electricity Distribution Co. on 3 March 2017. It should be noted that, as the owner of the ETL, the distribution company will be responsible of its maintenance and operation, whereas AMI will be responsible of financing any such maintenance work.

The process plant will supply its water from four wells drilled in this area. One of these wells will act as spare for emergency cases.

2.14 How will the ore be mined?

Open pit mining and underground mining are the main two alternatives for mining. The main determining factor for selection of mining method is the depth of the orebody from the topographical surface. The alternatives analysis for mining method selection for GCP was first limited by the existence of Taşköprü Dam and HEPP Project to be constructed by State Hydraulic Works (DSİ), which was formerly located closer to the Project mining operation areas. In order to facilitate construction and operation of this dam, underground mining method was determined as the first method for the Project.

However, following studies proved that the ore potential in the area is considerably high and therefore, DSİ re-assessed the location of the Taşköprü Dam by several km upstream due to high economic profit expected from mining activities. As a result and in consideration of especially the relatively shallow orebody, open-pit mining was determined as the mining method for the Project.

Following the pre-stripping activities, the pit will be mined with blasting and excavating. Produced ore will be hauled to the Process Plant.
Figure 2-1 Project Road Network
2.15 How will the copper ore be enriched?

The ore produced during the Project lifetime will be fed to the process plant. Located approximately 3 km east of the open pit, the processing plant will have a throughput of 2 Mt per annum, according to the latest Feasibility Report. A summary of the process is provided below:

- The ore will first be crushed, screened and ground to decrease the particle size.
- These particles will be fed to the flotation circuit, where they will go through a series of processes, including addition of proper chemicals.
- The concentrate leaving the flotation circuit will be directed to concentrate dewatering circuit. Here, the concentrate is thickened and pumped to the concentrate filter press to produce a final concentrate filter cake, which is the copper concentrate product of the mine.
- The liquid waste generated during the process will be directed to the tailings (plant waste) thickener. Here, some water content will be separated from the tailings. The tailings will be pumped to the TSF via an approximately 3.8 km long pipeline. On the other hand, water retained from the tailings will be pumped back to the process plant.

2.16 What will happen to the waste generated during copper enrichment?

The plant waste (i.e. tailings) generated during enrichment of the copper ore will be transferred to the Tailings Storage Facilities (Kepezkaya TSF for the first 4 years 9 months of production and potentially Bağdere TSF for the remaining years depending on the additional review) and be stored there.

Kepezkaya TSF is located on the northern side of the Gökirmak River, east of Hanönü district, whereas the Bağdere TSF is located approximately 350 meter south of Kepezkaya TSF.

2.17 Is the tailings management facility safe?

Alternative studies and a detailed risk assessment study were conducted by Golder Associates to verify safety of the TSF. This study concluded that the highest dam failure probability identified for Kepezkaya TSF is highly improbable. Following measures will be in place to ensure TSF safety:

- A stabilising buttress is included in the TSF design. The addition of the stabilising buttress has significantly reduced the risk associated with slope failure of the TSF.
- The reservoir surfaces and the upstream face of the TSF dam and closing dyke embankments will be lined from top to bottom with a drainage geocomposite layer, a geomembrane layer, a Geosynthetic Clay Liner (GCL) layer and a drainage composite layer. All of these structures will ensure impermeability and prevent contact of the tailings with outside waters. All materials for the impervious linings and drainage systems were selected by considering the chemical contents of the tailings and underground waters.
- The facility will be equipped with a concrete lined storm water management system.
- A total of 4 and a total of 5 monitoring wells have been constructed around Kepezkaya and Bağdere TSF locations, respectively, to monitor groundwater.
- Following closure of the Kepezkaya TSF, the facility will be capped (closed on top) with a system consisting of a geomembrane and a crest capping layer.
- An Emergency Preparedness Plan is developed and staff will be trained during regular drills.

It should be noted that design studies for Bağdere TSF has not been initiated yet, as its construction is not required to be started until approximately July-September of production year 3, and depending on the additional process review this second TSF facility might not be required to be built.
2.18 What will happen to the waste rock generated by mining?

Some of the excavated rock that does not have significant copper concentration (enough for commercial purposes) will constitute waste rock. The waste rock will be transported by trucks to Çorakolu WRD and stored there. The WRD is planned towards the north of the pit (both facilities will be connected with a haul road of 1.8 km length) since the main criteria for site selection of the waste rock dump areas is minimization of impacts caused by haulage distance such as extent of topography alteration and air emissions as well as economic factors associated with fuel consumption and time.

2.19 Is the waste rock dump safe?

Within the scope of feasibility studies, WRD design alternatives were assessed by MineRP Eurasia Madencilik Tic.Ltd Şti (MineRP) and Middindi Consulting Pty Ltd. to ensure stability of the WRD. The current WRD design is considered to be the safest and most feasible in terms of physical stability.

As for the chemical stability, the potential issue associated with the WRD is Acid Rock Drainage and Metal Leaching (ARD-ML). In short, ARD-ML is generation of acidic waters that contain elevated metal concentrations as the underground rocks in the open pit are taken to surface and minerals inside the rocks come into contact with air and water. Studies conducted by Geochemico indicated that the concentrations of surface water that can originate from the WRD are not expected to exceed any regulatory limits. The infiltration that can be originated from the WRD to groundwater is calculated to be negligible and no elements will exceed EU regulatory guidelines, except for sulphate, which is naturally exceeding in the Gökrmak River. The exceedance of sulphate due to the Project was calculated to be minor and even not detectable by the existing analytical methods.

Following measures will be in place to prevent/minimize WRD-originated potential impacts and to ensure physical and chemical stability of the WRD.

- Interception channels will be constructed around the WRD to divert runoff and prevent surface runoff interaction with stored waste rock. This non-contact water will be drained to downstream surface waters.
- Impervious sedimentation ponds will also be constructed and runoff that is in contact with waste rock and open pit walls will be captured and diverted to these ponds for further treatment.
- After operations at the WRD end, it will be closed with a system consisting of a layer of gravel, a layer of clay, another layer of gravel and a final layer of topsoil for vegetation to grow on. This system will prevent any rainwater from reaching the stored waste rock.

2.20 How will non-mining waste be managed?

Hazardous wastes (non-mining wastes) expected to be generated by Project activities will mainly include waste oil, vegetable waste oil, used batteries and accumulators, contaminated wastes (cables, PPEs, packages), electronic wastes, fluorescents, medical wastes.

The hazardous wastes to be generated as a result of Project activities will be sent to licensed disposal facilities.

On the other hand, non-hazardous waste such as recyclable packaging waste and domestic waste will be collected separately and sent to licensed recycling/reuse/disposal facilities, based on the waste type generated.

2.21 How will domestic wastewater be managed?

The domestic wastewater that will be generated by the personnel will be treated in three package wastewater treatment plants during both construction and operation phases. The treated wastewater will be discharged to Gökrmak River after the discharge limits are satisfied. The treated wastewater will be analyzed periodically in order to ensure to be in line with the limits given in the regulation. The domestic wastewater generated during the construction phase will not create any adverse impact on the local environment and will not impact groundwater.
2.22 Why is a River Diversion System is needed?

The planned open-pit corresponds to the original Gökirmak River bed and therefore, a river diversion system was planned and installed, which diverts a former 1.5 km stretch of the river through 2 parallel 700 m tunnels which can handle 10,000 year / 24 hour peak discharge of the Gökirmak River. The main diversion structures consist of two cofferdams, two concrete-lined diversion tunnels and a spillway.

The construction activities of the Gökirmak River Diversion System were initiated on 8 September 2015 and completed on 27 December 2016 and the river is diverted to these tunnels. The System is located at the downstream of the Taşköprü Dam Project of the State Hydraulic Works (DSI) and it has been already considered in DSI planning works and the impact assessment studies conducted for the dam project. As the owner of the river diversion system, DSI is now responsible of its maintenance and operation, whereas AMI is responsible for financing any such maintenance work.

2.23 From where will the Project supply its water and how will water be managed?

A hydrocensus study was completed in the Project Area to identify and gather information on current water use by local communities. As part of this study, all water sources, including springs and wells, within and in the near vicinity of the Project Area was visited and a sampling program was initiated on the community drinking water resources.

A number of studies were completed to identify the most suitable source to supply the fresh water that the project will need. These studies were completed with the Middle East Technical University and studies surface and groundwater resources were evaluated to provide 126 m³/hour (35 L/s) fresh water to the production units. The alluvial aquifer lying on the southeast of Hanönü (formed as an alluvial fan of Sankaya Creek and bounded by Gökirmak River to the north) was selected as the most suitable water resource. The tests completed on the wells that have been drilled on this area indicated that this aquifer can supply the projects water need of 35 L/s with no adverse impact on the community water resources. The process plant will supply its water from four wells drilled in this area – one of these wells will act as spare for emergency cases. The water will be pumped to the process plant through a pipeline that will run parallel to the access road.

A Water Management Plan was prepared for the project to maximize the recycling and re-use of water where possible. Project will implement a contact / non-contact water approach for the surface runoff that will originate from the precipitation. Non-contact water is the runoff that will originate from the upstream sections of the project units and these waters will be directed with the diversion ditches to the outside of the project area and will be discharged to environment since they have no contact with any project unit(s). Contact water is the runoff that will originate from the project units and these waters will be collected, treated, and used during the operations. Excess water, if any, will be discharged to environment after making sure that it is in line with the discharge criteria given in the relevant regulations.

Similarly, the water that will originate from the open pit dewatering will be collected, treated in sedimentation ponds and used for dust suppression, drilling and etc. Excess water will be discharged to environment after ensuring that it is in line with the discharge criteria given in the regulations.

2.24 How will the mine be closed at the end of its life?

A Preliminary Mine Closure and Rehabilitation Plan for the open pit, the waste rock dump, the processing plant, the tailings dams, and other related facilities has been prepared as a part of the ESIA and this plan will be progressively updated over the course of mining operations as more site-specific information is acquired. It is also proposed that progressive remediation will be implemented throughout the mine life, including the re-grading, cover placement, and re-vegetation of exposed final surfaces at the open pit and the waste rock storage area.

Currently the plan for the closure of the mine is allowing the open pit to be flooded by the Gökirmak River within a relatively short period of time after demolishment of the cofferdams by considering the Gökirmak River being reset to its original course during the closure and allowing the river to flow directly into the open pit. However, optimal closure of the open pit will be decided later during the operation phase as the long term hydrological and hydrogeological data from pit dewatering and on-site meteorological station is collected.

A controlled pit lake formation strategy will be implemented which minimizes potential impacts on downstream water quantity, water quality and water users (see Figure 2-2). This strategy is based upon the rapid fill of the open pit with the excess water which is the remainder after the baseflow and Demirci HEPP’s water requirements are satisfied. In this case the pit lake level will stabilize within ~2.5 years after the closure of mine.
Çorakoğlu WRD and both TSFs will be capped with impervious layers to prevent/minimize any infiltration that can originate from these structures.

Figure 2-2 The Final Pit Lake Form
3. STAKEHOLDER ENGAGEMENT

3.1 What is the Project approach to stakeholder engagement?

Stakeholder engagement is key for project planning and implementation. A stakeholder of the Project includes all persons, groups or organisations which have an interest or concern in the Project. They may be affected by or affect the Project. Stakeholder engagement includes continuous communication with the stakeholders, inclusion of stakeholders’ views for project development and implementation and a responsive approach to stakeholder issues and views. Effective stakeholder engagement with local communities and government bodies will lead to early identification of issues and opportunities and make the project implementation more effective for both the Project and the stakeholders and will continue through the Project life cycle and beyond.

AMI has a detailed Stakeholder Engagement Plan (SEP) which identifies the different stakeholders, defines AMI’s approach and procedures for effective stakeholder engagement and lays out the current and future stakeholder engagement activities of AMI with an internal and external grievance mechanism. SEP is also disclosed as part of the disclosure package. A stakeholder engagement plan is a live document and as such this Plan will be continuously reviewed and updated throughout the lifetime of the project.

AMI started to engage with communities as early as 2013, but has been more actively involved in stakeholder engagement since 2015 after hiring stakeholder engagement officers. Opening of Acacia Mining Operations Hanönü Public Relations Office is of great importance in terms of stakeholder relations, the opening ceremony was conducted by participation of all public stakeholders, small business owners, mukhtars, and district residents. AMI Community Relations team of five experts aim for continuous engagement with stakeholders. AMI has established an Advisory Board comprising of mukhtars of Project affected settlements that meet every six weeks to discuss Project related issues, and develop participatory solutions to issues presented to the Board. AMI is also an active participant in monthly stakeholder engagement meetings conducted by the Governor which include all public stakeholders and mukhtars of Hanonu. AMI has conducted two workshops, each of which had participation by over 100 experts, residents to discuss the future of Hanonu and how sustainable development can be achieved in the District. AMI’s Social Impact Assessment was disclosed in May 2016 with participation from Project affected populations (PAPs) from affected settlements, mukhtars, Mayor and Governor. The aim was to share findings of consultations, discuss potential project impacts with PAPs and respond to their questions/concerns.

AMI’s open door policy, regular visits to the Project affected settlements and designated office hours, allow for effective stakeholder engagement throughout the lifetime of the Project. Thus any views on how stakeholder engagement can be further reviewed would be highly appreciated.

A grievance mechanism meeting the requirements of international standards was established by Acacia in order to receive, resolve and follow the concerns and complaints of the project affected communities (sample grievance form is given in Appendix A). Further information on how stakeholders can relay their grievance of inquiries about the Project is described.

Details of future stakeholder engagement activities can be seen in the Stakeholder Engagement Plan (SEP), which is disclosed as part of the ESIA disclosure package.
4. POTENTIAL IMPACTS AND MITIGATION

4.1 What will be the visual impact of the Project?

The Project is located in forest landscape where steep topographical features prevail in the surroundings. Several forest villages are dispersed within the forests. Statutory designated natural protected areas such as national parks, natural monuments or natural sites with potentially high landscape values are located at more than 20 km distance to the mining facilities. Gökirmak River and its tributaries, Kastamonu Sinop State Road and the local village roads are other main features in the wider area. Influence of past and current economic forestry activities conducted in the scope of applicable Forestry Management Plans are also observed within the existing setting.

![Figure 4-1 View from Yukarıküreçayı Neighborhood towards Open Pit and WRD Site](image)

Open pit, WRD, TSFs, process plant, storage sites and haul roads will be the main contributors of the Project to the visual impacts as they will be visible structures throughout the Project life. The ETL will also be a visible element of the Project along its 28.8 km route which runs parallel to the existing ETL between Taşköprü and Hanönü. Visibility of the Project components will vary from receptor to receptor, meaning that, some of the receptors may have a complete view of the components while others may have partial or slight views. Residents of the affected settlements may be more sensitive in terms of visual impacts, while the users of the state and village roads would be less sensitive.

Visual impacts of the Project will aimed to be mitigated to acceptable levels by the rehabilitation of work sites following the completion of activities. The WRD site will be progressively rehabilitated in parallel to the progress of mining activities, while other sites will be rehabilitated following the completion of operation activities. Rehabilitated landform profile will emulate pre-operation landforms to the greatest extent possible. Rehabilitation activities will involve reforestation of the degraded forests as well. It should be noted that a certain period of time (e.g. 10 to 15 years) would be needed to achieve effective results from the rehabilitation activities to compensate landscape and visual impacts of the Project.

4.2 How will the Project affect land use?

![Land Use Pie Chart](image)

The main land use types at the Project Area are forests, shrubs and agricultural areas, while forests being the predominant one. Construction and operation of the Project will result in the change of existing land use at the footprint of Project units. Total area to be permanently affected by the Project is 487 ha, which also includes a pastureland in Vakıfgeymene settlement having an area of less than 1 ha.

Main impacts on land use occurs during the land preparation and construction phase and the changes in land use will continue throughout the operation of the Project as the open pit mining and waste rock management activities progress.

Along the 28.8 km route of the ETL, only the pylon locations, which cover a minimal area, were affected and the land use has not changed along ETL’s right of way.
The following mitigation measures are proposed and/or being implemented:

- Against Project’s impacts on forests, forestry permits were obtained from the related state authorities between 2014 and 2016 for units that are currently being constructed.
- For Project’s future units such as Bağdere TSF, permit application will be submitted before the start of the construction works (if TSF is required).
- A Reforestation Plan will also be developed and implemented by the Acacia to compensate the loss of forests due to the Project.
- For the pastureland affected by the Project in Vakıfgeyme, regulatory process (change of land use allocation) has been completed by Acacia and pasture agreement has been signed between Acacia and Vakıfgeyme Mukhtarship to compensate the impact by means of allocation of a new pasture area.

Socio-economic impacts on local communities due to loss of agricultural lands are covered in the Livelihood Restoration Plan (LRP) prepared for the Project. LRP identifies the impact of loss on land on individuals and communities, and sets forth measures to reduce any potential adverse impacts on livelihoods. The mitigation measures for livelihood restoration can be summarised as infrastructure supports, income-generating activities (agriculture) and local employment. AMI has developed an entitlement matrix that provides in-kind and cash based compensation packages.

In line with consultations1 with PAPs, LRP offers the following schemes:

Local employment and skill development: PAPs (owners/users of affected lands) are/will be prioritized for local employment during construction and operation periods. AMI will organize vocational training and skill development courses in order establish a qualified work force in the region.

Support to agricultural activities: AMI will also support livelihood restoration through various development initiatives. AMI is exploring partnerships, and engaging with key public stakeholders such as District Department for Agriculture in order to devise and implement fully established programs. AMI will also allow people to utilize the land parcels in Yilanlı District, which was purchased by the project as a safety zone in the down stream of KepezkayaTSF, for agricultural development and livestock production.

Support to local businesses through local procurement: AMI and subcontractors will prioritize local procurement in order to boost local economy and support local entrepreneurship.

4.3 What are the impacts on soils?

Majority of the Project Area (more than 90%) consists of brown forest soils (including non-calcareous). According to the land use capability classification system of Turkey, nearly 70% of the Project Area corresponds to Class IV, Class VI and Class VII soils (no Class V soil), which represent lands that are not suitable for agricultural soil cultivation. Class III and Class IV soils, which are generally suitable for cultivation of special products under special treatment, cover the majority of the remainder. Class I soils that represent the most suitable lands for agricultural soil cultivation cover a slight portion (%5) of the Project Area (no Class II soil).

Most of the Project Area (60%) show moderate or slight existing erosion conditions. Very severe erosion conditions are locally observed in less than 7% of the Project Area.

Top soil management, erosion control and avoidance of soil contamination will be the key issues related with management of soils throughout the Project life. Potential impacts of the Project on soils will be prevented and/or mitigated with effective implementation of erosion and sediment control measures during the construction and operation phases. Amount of topsoil estimated to be removed in the scope of the Project is around 566,000 m³. Fertile top soil will be stripped from the footprint of Project components prior to the start of construction activities and properly stored at designated locations for being used in future rehabilitation activities to be conducted during closure of facilities. Contamination of soils due to
operation of WRD and TSFs will be avoided by implementing relevant technical/design measures in accordance with legislative requirements and international best practice (e.g. encapsulation of potentially acid-rock-drainage generating waste rock materials at the WRD, installation of impervious liners at the bottom of TSFs, etc.). Accidents that may cause contamination of soils will be avoided and/minimized by training the Project personnel in avoidance and response measures.

4.4 What are the impacts on air quality and how will it be managed?

The Project has the potential to affect local air quality due to emissions during the construction and operation phases mainly due to earthworks, extraction works, loading and unloading activities, blasting and vehicular traffic on unpaved surfaces. Dust and other air pollutants to be emitted by Project activities, if not properly mitigated, may have adverse effects on Project personnel, local communities and sensitive biodiversity components.

To provide a baseline for the assessment of potential impacts on air quality, dust measurements were initially conducted at selected locations in the scope of the national EIA process in 2014. During the construction phase, site measurements have been conducted to monitor and assess Project’s dust emissions. Measured dust concentrations for the construction phase were below the Projects standards, which have been identified based on the limit values defined in the relevant Turkish regulation and the IFC and EU guideline values.

To assess the operation phase impacts on air quality, a modeling study has been conducted by using an internationally accepted model. The modeling results showed that the concentrations of the air pollutants emitted by the Project will be below the limit values defined in the relevant Turkish regulation and IFC and EU guidelines values.

Even though the measurements results for the construction phase and modeling results for the operation phase do not indicate significant impacts due to Project’s air emissions, mitigation measures will be taken to minimize the associated impacts. In this scope, unpaved roads will be watered periodically on dry days, speed limits will be applied for the site traffic, material transporting vehicles will be properly covered and rehabilitation works will be conducted at cleared areas. In addition, air quality monitoring will be periodically conducted (for dust and other related air pollutants) at a large number of settlements located within the impact area and continuous measurement station will be installed at Sepetçiöğlu village to ensure that Project emissions kept below the limit values at all times. Any air emissions related complaint received from local communities or Project personnel through Project’s grievance mechanism will be evaluated by AMI and corrective actions will be taken immediately wherever necessary.

4.5 How much will the Project contribute to Greenhouse Gas emissions?

Greenhouse gasses (GHGs) are gasses that trap heat in them and cause the general temperature of the atmosphere to increase, thus resulting in global warming. This effect is called greenhouse effect. The main GHG is carbon dioxide (CO₂) and all other GHGs are calculated as “CO₂-equivalence” based on their contribution to the enhancement of the greenhouse effect.

Project’s construction, operation and closure phase GHG emissions will be sourced from combustion of diesel, combustion of coal for heating purposes, gasses released from blasting, clearing of vegetation and SF₆ emissions from electrical equipment (a gas used in these equipments). GHG emissions sourced during electricity generation are also included in the assessments, since the Project purchases electricity.

The total GHG emissions of the Project are calculated (as approximately 1,300 kton throughout the Project life) and the result falls into Medium-Low category, according to the “EBRD Methodology for Assessment of Greenhouse Gas Emissions”. The following mitigation measures will be in place for GHG emissions:

- Haulage distances will be minimized, ore and waste handling will be optimized and regular maintenance will be conducted to ensure the least possible GHG emissions from vehicles and equipment.
- Land clearance will be kept to minimum and any unused area will be revegetated as soon as possible, instead of vegetating at the end of operation phase.
4.6 Will the Project generate noise and how will it be managed?

The noise levels generated by construction and operation activities may have potential impacts on noise sensitive receptors such as vicinity settlements. In the scope of the impact assessment studies, initially, background noise levels have been identified by means of measurements conducted at selected settlements located within the study area to establish the baseline conditions. During the construction phase, noise measurements were conducted at nearby neighborhoods and within the Project site to identify any potential Project impact on local communities and Project personnel. All the construction phase measurement results were below the Project standards, which have been identified based on applicable Turkish regulatory limits and guideline values defined in relevant international guidelines including IFC and World Health Organization (WHO). Similarly, noise levels at each nearby settlement have also been measured at the time of blasting operations conducted during construction to record the instantaneous impact that occur once a day.

In order to assess the noise impacts of the operation activities, a computer modeling study has been conducted for the worst case conditions that assumed all the Project machinery and equipment working at the same time at the Project sites. As a result of the study, the model has identified the maximum environmental noise levels that will be experienced at the nearby settlements for day and night time periods (at the surrounding settlements, maximum value for day time is 42 dBA and maximum value for night time is 41.1 dBA). According to the modeling study, noise levels to be caused by the Project operation at the nearby settlements would be below both the applicable Turkish regulatory limits and the stricter IFC guideline values during the day and night time periods.

Noise control measures will be taken during the Project operations in order to minimize the noise emissions from the operation of heavy machinery and equipments and the Project induced traffic. Even though the ongoing measurements and modeling study does not indicate any significant noise impact in the scope of the Project, noise monitoring studies will be conducted throughout the Project life to identify and correct any compliant situation, if there is any. In addition, any noise related complaint received from local communities or Project personnel through Project’s grievance mechanism will be evaluated by AMI and corrective actions will be taken immediately wherever necessary.

4.7 Will the vibration caused by blasting activities have impacts on local communities and how will it be managed?

Blasting has the potential to cause vibration impacts that may affect the nearby communities if not properly managed. During the blasting operations conducted in Project’s construction phase, vibration measurements were conducted at the nearest settlement to the open pit, Sepetçioğlu village, as well as at locations within 400 m distance from the explosion point. All the vibration measurement results for the construction phase were below the regulatory limit values of the relevant Turkish regulation. During the operation phase, vibration impacts caused by blasting operations will be minimized by applying optimized blasting design and controlled blasting method using proper explosive charges and blasting equipment. Blasting will be conducted only at day time (between 08:00 and 18:00), particularly in the middle of the day when background noise levels are relatively high and vibration levels at Sepetçioğlu village will be monitored at the time of blasting. Baseline conditions of the houses located in the blasting impact area (identified as a 150 m radius area around the explosion point in open pit) will be established before the start of operation phase. During operation of the mine if safety risks is identified for those houses in Sepetçioğlu village the blasting activities take place only at day time for nighttime the blasting activities will be delayed.

4.8 What are the impacts on water resources?

The Project Area is located within the Kızılırmak River catchment, which covers an area of approximately 82,000 km². The Gökırmak River, which is one of the biggest tributary of the Kızılırmak River, flows between the project units.

Privately-owned Demirci Regulator and Hydroelectric Power Plant (Demirci HEPP) is constructed on the Gökırmak River, next to the Dereköy Village in Hanönü. The nearest Project units to the Demirci HEPP are the Open Pit and the Çorakoğlu WRD, located 1 km and 600 m upstream from the HEPP units. In addition, Taşköprü Dam is planned to be constructed on the Gökırmak River approximately 1.5 km southwest of the upstream cofferdam of the Gökırmak River diversion. The dam generated reservoir is planned to provide water for both irrigation purposes and power generation.

The planned open-pit northern part corresponds to the original Gökırmak River bed and therefore, a river diversion system was planned and installed, which diverts a former 1.5 km stretch of the river through 2 parallel 700 m tunnels which can handle 10,000 year / 24 hour peak discharge of the Gökırmak River. The main diversion structures consist of two cofferdams, two concrete-lined diversion tunnels and a spillway.
The construction activities of the river diversion were initiated on 8 September 2015 and completed on 27 December 2016 and the river is diverted to these tunnels. As the owner of the river diversion system, DSI is now responsible of its maintenance and operation, whereas AMI is responsible for financing any such maintenance work.

A water quality sampling and monitoring program was initialized in September 2015 by AECOM, primarily to identify the quality of drinking waters. Drinking water of the nearby villages is generally supplied from springs or from water collection structures constructed on upstream portion of the closest available surface water resources. In addition, a series of hydrogeological field investigations and numerical groundwater flow modeling studies were carried out to identify hydrogeological characteristics of the Project Area, water quality and potential impacts on water resources.

Impacts on Water Quantity

Open pit dewatering may have potential impacts in terms of water availability for local communities. The elevation of the pit bottom of the Gökırmak Copper Mine will reach to its ultimate level at 270 m by the end of the operation phase of the Project. This implies that by the end of the operation phase, the groundwater levels will have to be lowered to this elevation via proper dewatering system. A numerical groundwater flow model was developed to predict the amount of groundwater that will flow into the open pit as the pit deepens during the operation phase. According to the completed simulations, a maximum of 34 L/s water will be discharged to complete the dewatering. This dewatering operation will create a cone of depression and an impact (reduction in the amount of available water) on the water resources of Sepetçioğlu Neighborhood spring (K-1) and water supply well (WSW-1) that supply water for the Küpeli and Aşağıküreçayı neighborhoods is expected. Acacia is committed to provide Alternative Water Supply Plan for the Sepetçioğlu, Küpeli and Aşağıküreçayı neighborhoods to compensate the reduction in these community water resources.

Since hydraulic tests in the water supply aquifer indicates sufficient quantities of water for process water demand, groundwater extraction from Project’s water supply wells will not create a strain on water availability of local communities.

Impacts on Water Quality

Impacts on the quality of nearby water resources due to potential seepages from the TSFs will be managed by implementation of design measures described in Section 4.3. Following additional measures will also be in place:

- Groundwater monitoring will be conducted around the TSFs.
- A modeling study for the characterization of geochemical interactions will also be done for Bağdere TSF, once its design is completed.

Impacts on the quality of surface water resources due to WRD drainage and leachate (during operation and post-operation phases) is also possible. As described in Section 2.19, studies conducted by Geochemico indicated that the concentrations of surface water that can originate from the WRD is not expected to exceed any regulatory limits. The infiltration that can be originated from the WRD to groundwater is calculated as very small and no elements will exceed EU regulatory guidelines, except for sulphate, which is naturally exceedant in the river. Additional measures are listed in Section 2.19.

Increased levels of total suspended solids and/or metals due to discharge of mine waters (waters derived from pit dewatering and runoff waters that are in contact with Project Units), transport of uncontrolled sediments (soil particles) to downstream surface waters and construction of Gökırmak River Diversion structures may also cause degradation in water quality.

In order to ensure that water resources are managed properly in terms of both water availability for the local communities and water quality for irrigation and drinking purposes, following plans will be implemented:

- Erosion and Sediment Control Plan
- Mine Water Monitoring Plan
- Waste Management and Pollution Prevention Plan
- Oil and Chemicals Spill Response Plan
4.9 What are the potential impacts on personnel health and safety and how will occupational health and safety be managed?

During construction, operation and closure phases of the Project, the site personnel health may potentially be affected due to incidents and accidents (e.g. ergonomic injuries, falls from height, slips and falls, collisions with objects, etc.), deterioration of air quality, generation of noise and vibration, site traffic, diseases, use of explosives, geotechnical stability (e.g. slope failure, rock fall, etc.) and inappropriate hazardous materials management.

The ESIA identified all potential health and safety (H&S) risks and impacts that may be experienced by the Project personnel, separately for various phases of the Project and proposed detailed mitigation measures for each of the identified H&S subjects. These mitigation measures include, but are not limited to: provision of general and subject specific trainings, ensuring safe site conditions (e.g. use of signage, provision of sufficient illumination, etc.), mandatory use of PPEs, encouragement of PPEs use where not mandatory, provision of adequate accommodation arrangements, periodic medical checks and implementation of related management Plans including Occupational Health and Safety Plan, Emergency Action Plan, Transport/Traffic Management Plan, Fire Prevention and Fire Protection Plan, Air Emissions Management Plan, Noise and Vibration Management Plan, and Hazardous Materials Management Plan.

4.10 What are other potential Project impacts on community, health and safety?

Traffic

Current traffic volumes are low, and predominantly comprise light vehicles. Project vehicles will increase the traffic load in the Project area, in particular, heavy trucks during construction of Tailings Storage Facility, Processing Plant and Open Pit area. This increase in vehicle traffic presents a risk of accidents to the local community. Areas that will be particularly affected include the Bağdere, Çaylı, Geymene, Sepetçioğlu, Vakıf, Yilanlı, and Yozlu villages and Hanönü district.

AMI has prepared a Traffic Management Plan to address traffic related community risks of the Project; where the traffic load increase, the traffic management approach, procedures to be followed and multiple mitigation measures are provided. In order to minimize risks, AMI is building a new road within Project site only for traffic from AMI trucks transporting materials from open pit to processing plant. This road will have two underpasses and 4 passage points for communities’ safe access to communal resources and public roads. AMI has also built an access road for construction site of tailings storage facility to minimize impact on communities. Project Road Network and the surrounding settlements are shown on the map given in Figure 2-1.

Security and Safety

Site security will be provided by a private security firm. AMI led certified security personnel training program to focus on local employment. In the scope of this programme, security training for 16 people was organized by ACACIA. The training took place in the period December 2016 to January 2017. It is expected that during operation period, 16 security personnel will be hired. Project sites will be fenced off to avoid any risks to community health and safety.

AMI abides by Turkish legislation and Voluntary Principles on Security and Human rights. All security staff will be trained on human rights, conflict/crowd management and security personnel will be monitored to ensure constructive relations are established with the local communities.

As of September 2017, the open pit, closed ore stock area, downstream cofferdams and partially Çorakoğlu WRD will be fenced following the topography. In fact fencing of Project units will be done during the construction and operation whenever necessary in order to reduce the safety risk. In this way, the entrance of the livestock and unauthorized people will not be allowed and potential negative safety issues will be minimised.

Diseases

Increase in population due to workers from camp site may lead to increase in communicable diseases. AMI will screen workers and contractors with regular health checks, provide hygienic environment in camp sites and promote healthy living styles through training and awareness raising.

Influx Management

AMI has developed an influx management plan to mitigate the impact of increased population in the Project area. The Influx management plan sets out following commitments:
1. Establishing and maintaining effective communication with stakeholders,
2. Minimizing the labour force supply from outside the region through local employment,
3. Monitoring the impacts of migration and related population increase, and assessing the effectiveness of measures taken,
4. Providing various supports for the capacity building of local institutions and stakeholders in their responsibility areas,
5. Informing and supporting relevant institutions to develop measures against pressure and problems that may be caused by the increased demand for infrastructure and public services, and
6. Establishing participatory mechanisms including local stakeholder representatives such as Hanönü Advisory Council or Community Advisory Panel.

4.11 What are the impacts on biodiversity?

Existing biodiversity features of the Project Area and its surroundings have been determined as a result of a number of field surveys conducted by relevant flora and fauna experts between 2012 and 2016. These surveys included terrestrial flora and fauna and aquatic biodiversity components at major Project sites including the associated infrastructure and the vicinity of the Project Area. Data collected through field surveys have been evaluated based on applicable national and international criteria. Habitat types have been identified and inventories of terrestrial and aquatic species have been compiled for the Project Area together with determination of ecosystem services and existence of potential invasive alien species as a result of the studies.

Field surveys identified that the Project Area consists of three terrestrial habitat types including forests, anthropogenic areas and riparian vegetation. 640 terrestrial flora species and lower taxa have been determined within the Project Area and its surroundings, 26 of them being identified as endemic. Among these, 1 species is listed as Endangered (EN) and 1 is listed as Near Threatened (NT) according to IUCN Red List’s conservation categories.

As a result of the surveys, 199 terrestrial vertebrate species (10 amphibian, 20 reptile, 120 bird and 49 mammalian species) have been identified to exist within and the vicinity of the Project Area, none of which being endemic. Regarding international conservation status; among amphibians, 1 species (Northern Banded Newt) is listed as NT. Among reptiles, 1 species (Spur-thighed Tortoise) is listed as Vulnerable (VU) and 1 species (European Pond Turtle) is listed as NT. Amongst birds, 1 species (Egyptian Vulture) is listed as EN and 2 species (Kruper’s Nuthatch and Corncrake) are listed as NT. Among mammals, 3 species (Mehely’s Horseshoe Bat, Marbled Polecat and Brown Bear) are listed as VU and 2 species (Common Bent-wing Bat and Eurasian Otter) are listed in NT.
Gökırmak River, passing through the Project Area, has been identified as the only river habitat within the Project Area. Aquatic surveys have identified species of freshwater algae, zooplanktonic organisms, benthic organisms and fish species. None of the freshwater algae or zooplanktonic organisms is endemic, rare or having a high risk conservation measure and none of the benthic organisms are to be protected according to international criteria. Among the fish species identified, even though they are dominant and widespread along the shore of Black Sea, 2 of them (Chondrostoma angorense and Capoeta tinca) are endemic, while the others are widespread and abundant in Anatolia.

The Project Area is not located in a protected area and all statutory and non-statutory designated protected areas are at more than 20 km distance to the Project Area and therefore, it is considered that there will not be a direct negative impact on these areas due to Project related activities.

Gökırmak River and the forest area within and the vicinity of the Project Area have been determined as two of the main ecosystem service sources. As Gökırmak plays a role in hobby fishing and agricultural irrigation in the vicinity of the Project Area, the forestry and especially lumbering is the main provisioning service used by the local people.

The Project will result in the loss, alteration and fragmentation of terrestrial habitats as a result of the construction and operation activities to be conducted. As a result of clearance of vegetation and top soil at the footprint of the Project components, there will be a certain amount of loss of individuals of flora species and fauna species depending on the affected habitats that will be displaced. Fauna species having limited mobility will be under the risk of mortality due to operation of heavy construction and operation machinery. In addition to direct physical impacts, vehicular traffic, dust and other gaseous emissions, noise and lighting are likely to disturb some of the fauna elements causing them to search for alternative habitats.

The habitat loss of forest and semi natural areas as a result of the Project is 415.2 ha: 320.6 ha of it consist of broad-leaved forests, coniferous forests and mixed forests whilst 94.6 ha of it consist of natural grasslands and transitional woodland-shrubs.

The Project has resulted in the alteration of aquatic habitat along the 1.5 km section of Gökırmak River, which has been diverted. The diversion system will ensure the continuity of flow to sustain the aquatic biodiversity in the altered aquatic habitat via two tunnels constructed.

Based on biodiversity studies carried out for the Project and covering biodiversity screening, impact assessment and mitigation measures analysis, as well as literature review and consultations with external experts and stakeholders, a critical habitat assessment was conducted to define the most sensitive biodiversity features, which comprise one of the following according to EBRD PR 6; (i) highly threatened and/or unique ecosystems, (ii) critically endangered and/or endangered species, (iii) endemic and/or restricted range species, (iv) migratory and/or congregatory species, (v) key evolutionary processes and (vi) ecological functions.

The Project can potentially affect priority biodiversity features and critical habitats as and therefore per EBRD PR 6 Biodiversity Management Plan (BMP) is developed and a site-specific habitat and species Biodiversity Action Plan (BAP) will be prepared to ensure no-net-loss of critical habitats. The critical habitat assessment was carried out within the scope of this ESIA based on the project baseline biodiversity studies and will be further updated based on additional surveys and site-specific monitoring.

4.12 How will cultural heritage be managed?

In order to identify immovable and intangible (such as local handywork, local traditions, local food, etc.) cultural heritage that may be affected by the Project, archaeological and social surveys were conducted. As a result of these studies, some locally sensitive cultural heritage items were identified. These include; some local houses in Küpeli and Sepetçioğlu neighborhoods which are considered to be civil architecture examples and the graves and gravestones in the Aşağıküreçay cemetery.
During the construction and operation phases, following impacts may occur:

- Potential impacts on chance finds (any archeological remain found during excavation works) may occur due to improper management of excavation activities.
- Potential impacts on existing immovable cultural heritage may occur due to dust and vibration generation.
- Some of the Sepetçioğlu houses coincide with the open pit area and will be directly impacted by the Project.
- Potential impacts on intangible cultural heritage may occur due to various factors such as worker influx.

Positive Opinion of Ministry of Culture and Tourism was obtained on 23.10.2012. In order to mitigate impacts on cultural heritage:

- The chance find procedure will be implemented to ensure that any found archeological remain is handled appropriately;
- Drawings of Sepetçioğlu houses will be prepared and the houses will be photographed with involvement of experts; and
- Archeological surveys will be conducted in any future construction areas.
- On the other hand, the Stakeholder Engagement Plan will provide for management and protection of intangible cultural heritage.

4.13 Will there be cumulative impacts with other projects?

Cumulative impacts occur when impacts from various actions overlap on the same environmental or social component in a limited geographical area and/or in a specified temporal period. There are other quarry/mining and exploration projects/activities identified in the area where GCP will be implemented. However, these other projects/activities are relatively small-scale projects in terms of Project cost and footprint when compared to GCP. Additionally, they are located comparably far from the site so that it is not likely that they would affect the same environmental and social components to be affected by the GCP and cause cumulative impacts.

On the other hand, existing Taşköprü-Hanönü State Highway and the Demirci HEPP, as well as the planned Taşköprü Dam are likely to introduce cumulative impacts on the existing land use (mainly forest and partially agricultural), Gökirmak River’s hydrology and quality, and the local communities in terms of air quality, noise, visual amenity and community health and safety.

Cumulative social effects were also assessed as a part of ESIA. All official stakeholders in Hanönü district and Kastamonu province were interviewed with economic master plans of the region were examined, in particular, information and data related to the existing and planned projects were collected from Hanönü Municipality and the District Governor so that all existing/planned projects could be identified. In the CIA study area, possible social impacts were assessed in order to identify (i) the impacts of Gökirmak Copper Mine Project in the construction phase (ii) long-term effects of activities/operations during a period of 20 years.

AMI will be responsible for the implementation of Project-specific mitigation measures that would allow the mitigation of Project-level impacts. AMI has a Community Development Framework, Influx Management Plan and Cumulative Impact section in ESIA to mitigate potential impacts. It should be noted that mitigating the potential adverse cumulative impacts would not be solely the responsibility of the AMI, and they could only be effectively managed with good cooperation between the administrations of all contributing facilities as well as the relevant local and national authorities.
5. ENVIRONMENTAL AND SOCIAL MANAGEMENT

5.1 How will AMI manage its environmental and social commitments?

AMI has in place an Environmental and Social Management System (ESMS), which will be used to manage all environmental and social (E&S) issues associated with the Project. The ESMS provides processes for E&S management to be implemented throughout all phases of the Project to achieve AMI’s E&S objectives and to ensure full compliance with EBRD requirements.

5.2 What are the implementation documents of the ESMS?

The main approach in ESMS implementation is provision of consistency of all adopted E&S processes and procedures throughout the Project phases, with the required adaptation flexibility to ensure a management system that can cater to any transforming E&S issue related to the Project.

General ESMS implementation structure is presented in Figure 5-1.

![ESMS Implementation Structure Diagram](image)

**Figure 5-1 ESMS Implementation Structure**

As seen in Figure 5-1, Project E&S Management will be implemented through policies, management plans and multiple sub-level procedures, forms, etc. Within this regard, AECOM Turkey, SRM Consultancy and AMI prepared/will prepare a suite of policies, management plans and strategies to be implemented throughout the Project life. In this respect, the Project has already in place environmental, health and safety and corporate human resource policies and a stakeholder engagement strategy. Management plans prepared (as a part of ESIA disclosure package) for the implementation of the ESMS are listed in Table 1-1. Additional management and/or action plans will be prepared for specific environmental and social subjects (transport/traffic, water resources, reforestation, etc.) in line with a specified programme following the ESIA disclosure period in order to ensure environmental and social performance of the Project.

5.3 By whom will the ESMS be implemented?

AMI will take full responsibility of E&S management through its Project specific environmental and public relations teams and other departments. The executive level positions mainly responsible for implementation of the ESMS include Operations Manager, Health and Safety Manager, Environmental and Public Relations Coordinator, Supply Chain Manager and Human Resources Manager.

AMI’s contractors employed for various phases of the Project will also be fully responsible of implementation of the ESMS and will report any noncompliance to AMI.
5.4 How will AMI monitor its activities and implementation performance of the ESMS?

For the purposes of effective implementation of the ESMS, regular monitoring and review will be conducted. Monitoring, at a minimum, will involve the following:

- Check if major elements of the ESMS are in place,
- Check if the plans and other sub-management documents are being implemented by both GCP and contractor personnel,
- Ensure continuous compliance with laws, regulations, EBRD PRs and other Project standards,
- Check progress towards overall objectives and targets set out by the Project ESIA and ESAP (control effectiveness of prevention/mitigation measures and the general E&S performance of the Project),
- Control effectiveness of any response to received grievances.

In addition, Key Performance Indicators (KPIs) for the Project are identified to verify the implementation effectiveness of the Environmental and Social Management System (ESMS), the Environmental Management Plan (EMP) and other management plans (MPs).

5.5 What will be done when non-compliance is identified by monitoring?

In case any non-compliance with Project standards or any measurement above limits provided by related legislation or standard is identified during monitoring of key environmental, OHS and community HS performance indicators, the non-compliance will be recorded and reported. Follow up activities in any such case will include investigation of the non-compliance immediately and putting in place relevant actions. Further reporting will be done to ensure the non-compliance is closed out.

5.6 How will AMI act in an emergency?

AMI has in place the following Management Plans, which set out detailed procedures to follow during an emergency, as well as related emergency services contact details and joint action with these services:

- Emergency Action Plan
- Emergency Preparedness Plan for Kepezkaya Tailings Storage Facility
- Fire Prevention and Fire Protection Plan
- Oil and Chemicals Spill Response Plan

GCP will have its own ambulance and health services fully and exclusively dedicated to day to day needs of our employees. This service and ambulance with doctors is going to be contracted locally. Acacia is currently in the process of selecting supplier in Kastamonu Region. However, there is a government hospital in Hanönü as well as in Taşköprü, 25km from Hanönü. Fire brigades will be from local municipality which is on average 3km away from the mine and mill site.

5.7 How will AMI Manage its workforce and ensure that its employees are treated fairly?

AMI has developed a Human resources policy and labour management plan in order to manage the workforce and local employees in the most fair and effective manner. AMI is also committed to ensure that the 3rd party suppliers and contractors will follow these standards and approach in their workforce and will take necessary actions if needed. AMI conducts quarterly employee standards audits including contractor employees to ensure local and international standards on labour force including EBRD standards are adhered to. AMI complies fully to EBRD standards on Workers’ Accommodation.
AMI’s Labour Management Plan, which applies to AMI and its contractors, outlines procedures and requirements implemented by AMI to ensure that AMI and its contractors respect and protect the fundamental principles and rights of workers through promoting personal respect and a safe workplace. This includes:

- fair treatment;
- non-discrimination and equal opportunities for all workers;
- establishing, maintaining and improving a sound worker-management relationship;
- respecting the workers’ right to freedom of association and right to collective bargaining;
- promoting compliance with any collective agreements to which AMI is a party;
- compliance with applicable national labour and employment laws;
- protecting and promoting the safety and health of workers, especially by promoting safe and healthy working conditions;
- preventing the use of forced labour and child labour (as defined by the ILO and Turkish legislation).

How can workers make a complaint or make an inquiry?

There is an internal grievance mechanism for employees. All workers (including contractors) can use the following channels to raise feedback/requests and complaints:

- Toolboxes
- Email: hanonuik@acaciamaden.com.tr
- Phone: 03664975556
- Write to HR Manager info@acaciamaden.com.tr

Monitoring and evaluation procedures of AMI will make sure that all workforce and employee grievances are responded in a timely manner in line with the internal grievance mechanism procedures.

5.8 How will AMI communicate and engage with the Project’s stakeholders?

A community relations team has been established by AMI and an information office has been opened in Hanönü, which is open to the public and has members of the community relations and human resources staff working there.

Main objectives of the Community Relations Office:

- Keeping the stakeholders up-to-date on the Project,
- Informing them on the job application process to meet the Project’s employment requirements,
- Informing them about operational activities, safety measures
- Discussing potential community investment projects
- Discussing the complaints and requests of the stakeholders,
- Getting opinions and suggestions of the stakeholders on the Project.

This office will also be the main connection of stakeholders to Acacia Mining Operations, during the Project lifetime. Public Relations Office shall be open between 9:00 and 17:00 on Wednesdays and Fridays, when the public market is open. Stakeholders can visit the office within these days.

The stakeholders who cannot physically visit the project office, the project set up a telephone line. The PAPs can reach the Community relations staff at 0 366 497 55 56

Also, to keep alternative communication lines open, stakeholders can visit Acacia Mining Operations Management Office; and report their complaints and requests via telephone or e-mail (halklailiskiler@acacia.com.tr).
AMI community relations staff will visit the affected villages on regular basis (minimum twice a week) to discuss any issues with affected people face to face.

AMI is currently working with local muhtars, PAPs and Government representatives to identify local community development needs and priorities. This information will be used to make sure that AMI’s plans and projects for social investment are helpful and realistic, and to integrate local employment and local procurement needs within the foundations of the AMI’s community development projects.

Monitoring and evaluation of the Project will also assist the Project Asses the success of its relation with stakeholders and take necessary steps to ensure effective stakeholder relations

5.9 How can stakeholders relay their grievances or inquiries about the Project?

In line with the international requirements, a grievance mechanism was established by Acacia in order to receive, resolve and follow the concerns and complaints of the project affected communities (sample grievance form is given in Appendix A). Acacia will be accessible for the stakeholders and respond to all grievances (complaints, requests, opinions, suggestions) at the earliest convenience. The most important point in the grievance mechanism is to ensure that all grievances are effectively received, recorded and responded within a predetermined timeline and on the basis of their contents, by the public relations unit on the site, and that the corrective/regulatory action to be taken is acceptable to both parties. Such responses to the grievances would be satisfactory for both parties and activities would be followed and filers of the complaints would be informed on the outcomes of the corrective activities.

Experts of Public Relations Unit of AMI are responsible for building close relationships with the local people, other stakeholders and officials, updating them on the developments of the project, listening and recording their concerns about the project, receiving their grievances, filing them regularly and sharing them with the relevant officers of Acacia in Ankara and Istanbul to ensure their speedy settlement.

In addition, Public Relations Unit of Acacia in the site will be in regular contact with muhtars in the field. Village muhtars, who are the leaders of the local settlements, are responsible for transmitting all Project-related information to the local people and grievances of the local people to Acacia timely. Besides, Community Relations Office was opened in the locality. Project affected people may visit this Office and get their Grievances filed.

The communication methods to be used by internal and external stakeholders to get their grievances filed are available in Table 5-1.
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<td>acaciamining.com.tr</td>
<td>0366 497 55 56</td>
<td>Acacia Mining Operations Mine Site.: Alisakallı Caddesi No.26/A Hanönü/Kastamonu Turkey</td>
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<tr>
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<td>In person</td>
<td>Petition</td>
<td><a href="http://www.acaciamining.com.tr">www.acaciamining.com.tr</a></td>
<td>0366 497 55 56</td>
<td>Community Relations Office Atatürk Meydanı No:5 Hanönü / Kastamonu open on Wednesdays and Fridays, between 09.00 and 17.00.</td>
<td><a href="mailto:bilgitalep@acaciamaden.com.tr">bilgitalep@acaciamaden.com.tr</a> <a href="mailto:sikayet@acaciamaden.com.tr">sikayet@acaciamaden.com.tr</a></td>
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## Appendix A External Stakeholder Grievance Record Form

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<td>Date of Application:</td>
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</tr>
<tr>
<td>Means of Delivery:</td>
<td></td>
</tr>
<tr>
<td>Grievance box</td>
<td>E-mail</td>
</tr>
<tr>
<td>Petition (3rd agency/institution)</td>
<td>Telephone</td>
</tr>
<tr>
<td>Public Relations Unit</td>
<td>Other</td>
</tr>
<tr>
<td>Type of Grievance</td>
<td>Individual</td>
</tr>
<tr>
<td>Subject:</td>
<td></td>
</tr>
<tr>
<td>Blast</td>
<td>Noise</td>
</tr>
<tr>
<td>Drilling</td>
<td>Procurement</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Damage (product, road, land, etc.)</td>
</tr>
<tr>
<td>Health and Security (including traffic)</td>
<td>Other</td>
</tr>
<tr>
<td>Summary Information:</td>
<td></td>
</tr>
<tr>
<td>Documents Concerning the Grievance</td>
<td>Available, attached.</td>
</tr>
<tr>
<td>Photographs Concerning the Complaint:</td>
<td>Available, attached.</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>---------------------</td>
</tr>
</tbody>
</table>

**Evaluation Concerning the Grievance/Complaint (Public Relations Director):**

<table>
<thead>
<tr>
<th>Concerned Acacia Mining Unit:</th>
<th>SHE (Safety Health Environment)</th>
<th>Public Relations Mining</th>
<th>HR Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>Security contractor</td>
<td>Facility</td>
<td>Other</td>
</tr>
</tbody>
</table>

**Comment of the Unit Evaluating the Grievance:**

<table>
<thead>
<tr>
<th>Date of Referral to the Concerned Unit:</th>
<th>Date of Response of the Concerned Unit:</th>
</tr>
</thead>
</table>

**Developments/ Actions / Measures Taken:**

<table>
<thead>
<tr>
<th>Estimated Cost of the Solution:</th>
</tr>
</thead>
</table>

**Correspondences Concerning the Closure of the Grievance (email, memo, petition, etc):**

<table>
<thead>
<tr>
<th>Number of Responses Sent:</th>
<th>Available, attached.</th>
</tr>
</thead>
</table>

**Date of Response Letter:**

**Minutes of Meeting Prepared:**
### Summary of Process:

<table>
<thead>
<tr>
<th>Delivery of Grievance</th>
<th>Record of Grievance</th>
<th>Confirmation to Applicant</th>
<th>Referral to Concerned Unit</th>
<th>Referral to Concerned Unit</th>
<th>Transmission of Unit</th>
<th>Total Day</th>
<th>Date of Record-Response Letter Duration (Day)</th>
</tr>
</thead>
</table>

Date
Day

### Appendix B Grievance Form

<table>
<thead>
<tr>
<th>Reference Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Name</td>
</tr>
</tbody>
</table>

**Contact Information**

Please mark how you wish to be contacted (mail, telephone, e-mail)

- By Post: Please provide mailing address:
- By telephone:
- By e-mail:

**Preferred language of communication**

**Description of incident or grievance**

(What happened? Where did it happen? Who did it happen to? What is the result of the problem?):

**Date of incident/grievance**

- One time incident/grievance (date ________________)
- Happened more than once (how many times? _____)
- On-going (currently experiencing problem)

**What would you like to see to resolve this problem?**

Signature……………………………………

Date…………………………………………
<table>
<thead>
<tr>
<th>Details</th>
<th>Company Name: Acacia Mining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Contact</td>
<td>Halime Taligaci</td>
</tr>
<tr>
<td>Postal Address</td>
<td>Ali Sakallı Caddesi No: 26/A Hanönü / Kastamonu</td>
</tr>
<tr>
<td>Telephone Number</td>
<td>0366 497 55 56</td>
</tr>
<tr>
<td>Fax Number</td>
<td>0366 497 50 83</td>
</tr>
<tr>
<td>Email Contact</td>
<td><a href="mailto:bilgitalep@acaciamaden.com.tr">bilgitalep@acaciamaden.com.tr</a> <a href="mailto:sikayet@acaciamaden.com.tr">sikayet@acaciamaden.com.tr</a></td>
</tr>
<tr>
<td>Company site</td>
<td><a href="http://www.acacia.com.tr/">http://www.acacia.com.tr/</a></td>
</tr>
<tr>
<td>Online Inquiry Form</td>
<td><a href="http://www.acacia.com.tr/iletisim.php">http://www.acacia.com.tr/iletisim.php</a></td>
</tr>
</tbody>
</table>