

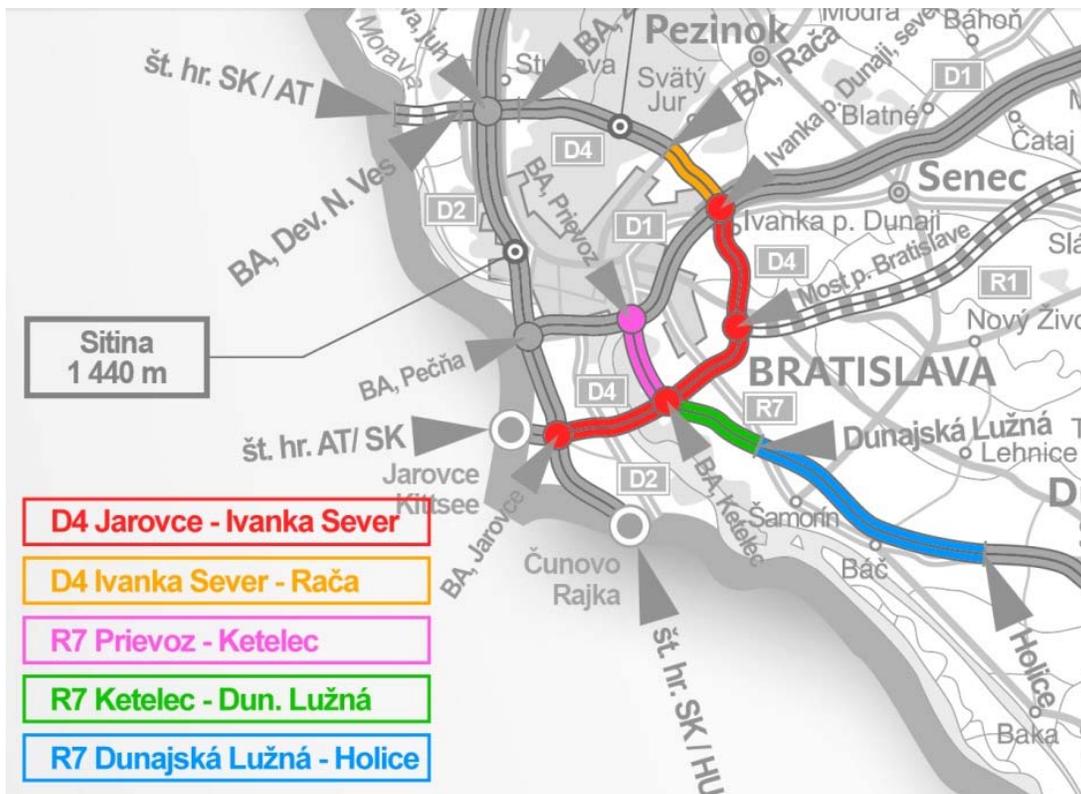
PPP Motorway Project, D4R7 Bratislava

ENVIRONMENTAL AND SOCIAL COMMITMENTS SUMMARY

The Company D4R7 Construction s.r.o. has entered into contract with the Concessionaire Zero Bypass Limited, as the EPC Contractor, and the Concessionaire ultimately with the Ministry of Transport and Regional Development of the Republic of Slovakia as the main client for the concession for the design, construction, financing, operation and maintenance of motorway sections. The EPC Contractor has been appointed to design and construct highway sections D4 Jarovce - Rača and R7 expressway Prievoz - Holicе commonly named as "PPP Motorway Project, D4R7 Bratislava".

The D4R7 project comprises the construction of a ring highway D4 around Bratislava, which connects Jarovce with the northernmost part of Rača, and an expressway R7 which connects Prievoz in the city with Holicе, in the southernmost part of the country alongside the Danube River and close to the border with Hungary.

The Project will result in significant benefits to the local communities as well as national infrastructure, improving vehicle movement on the D4 highway and removing heavy vehicles with their health and safety issues from the local towns.



D4 highway Section Jarovce – Ivanka sever

The Section starts at the elevated “Jarovce” crossing which connects with the D2 highway and continues by a bridge over the Danube to the elevated “Ketelec” crossing where the R7 expressway connects to the D4 highway. The Section ends at the elevated “Ivanka sever” crossing where it connects to the D1 motorway. The I/572 integrated relocations in the Galváni Street extension in this section and the Most pri Bratislave D4 section are included in this Section.

D4 highway Section Ivanka sever – Rača

This Section starts at the intersection of the existing D1 highway with the elevated “Ivanka – sever” crossing. The Section ends at the elevated “Rača” crossing, where it connects to the I/502 road and where in the future it will proceed by the northern part of the D4 highway bypass and the D4 “Karpaty” tunnel as part of the Rača – Záhorská Bystrica section of the D4 highway.

R7 expressway Section Bratislava Prievoz – Ketelec

The Prievoz – Ketelec Section starts with the existing elevated “Prievoz” crossing on the route of the D1 Highway. It then crosses the “Malý Dunaj” near the SLOVNAFT, a.s. complex. The Section ends at the elevated “Ketelec” crossing.

R7 expressway Section Ketelec – Dunajská Lužná

The R7 Ketelec – Dunajská Lužná Section starts at the planned elevated “Ketelec” crossing (R7 with the D4 highway). The R7 expressway Section ends at the elevated “Dunajská Lužná” crossing (R7 with the I/63 road) between Dunajská Lužná and Šamorín, where it connects to the planned “Dunajská Lužná – Holice” Section of the R7 expressway.

R7 expressway Section Dunajská Lužná – Holice

The R7 Dunajská Lužná – Holice Section starts between the municipality of Dunajská Lužná and the town of Šamorín at the elevated “Dunajská Lužná” crossing. The entire Section runs along the left side of the I/63 road and ends at the elevated “Holic”.

The Project is involving activities that could directly or indirectly affect the single elements of environment and is also associated with adverse effects on population.

The **most significant environmental aspects** associated with the construction of D4R7 were evaluated:

- Cutting non-forest vegetation, particularly riparian vegetation;
- Cutting forest vegetation;
- Interference in Natura 2000 sites;
- Interference in the habitats of national importance and European importance;
- Demolition of residential buildings;
- Handling of oil products and other chemicals with the potential risk of contamination of ground and water;
- Production of waste, including hazardous;
- Dust from demolitions;
- Dust when moving construction mechanisms and vehicles in the dry season;
- Generation of greenhouse gases;
- Noise and Vibration.

In order to regulate the above mentioned negative impacts, the top management of the D4R7 Construction s.r.o. has decided to establish, document, implement, maintain and continually improve its **Environmental and Social Management System (ESMS)** in accordance with the requirements of ISO 14001:2015. The ESMS has been established as an element of integrated management system comprising the safety, quality and environmental management system.

The principal environmental commitments are covered by Company's Environmental policy. The Environmental policy reflects the identification of significant environmental aspects and the identification of legal and other requirements.

The aim of the Policy is to:

- Ensure that all major environmental aspects related to the Project are managed;
- Ensure that all the applicable environmental and social legislation, regulations and other requirements are adhered to on all construction sites and works;
- Plan to prevent pollution and minimise environmental disturbance connected with the activities of the Project;
- Avoid the wastage of materials, water and energy by paying careful attention to their use;
- Promote environmental awareness and commitment to the policy amongst all employees and subcontractors;
- Apply continual improvement by reviewing performance against objectives and targets.

ENVIRONMENTAL POLICY STATEMENT

We aim to contribute positively to the environment conservation and to make a responsible and efficient use of natural resources.

We consider environmental awareness as a core value of our construction activities

Our principles are:

- **We minimise the environmental impact of our activity:** we prevent pollution, we control our carbon footprint, we reduce as much as possible the waste we generate and we optimise the resources we use in all our sites and workplaces.
- **We comply with applicable legislation:** we assure compliance with all our legal obligations and those environmental commitments that have been signed by the organisation. client.
- **We identify environmental risks:** we analyse our risks and implement best practices that allow us to prevent pollution to the environment.
- We must plan, organise, coordinate and establish suitable monitoring of Health and Safety in all our job sites as an integral part of general planning, as established in current regulations.
- **We promote awareness:** we assure that all the staff involved in our activities have the capability and motivation to achieve our environmental goals and promote their participation.
- **We seek the continuous improvement of our environmental performance:** we measure, report, audit and review the key aspects of our performance in order to improve our system.
- **We encourage innovation:** we develop our capacity for innovation in processes performed by providing new solutions to environmental issues and adding value to our customers and the community.
- **We use energy efficiently:** we manage our energy consumptions in an efficient way, reducing emissions, aware of our contribution to climate change.
- **We develop reporting systems and communication channels:** in order to achieve a productive dialogue in terms of mutual benefit with the relevant stakeholders, which are useful to understand their expectations, to control business risk and to take advantage of the opportunities.

Based on the Environmental Policy and significant environmental aspects, the Company has established environmental objectives and targets specific to Construction works, these will wherever possible be designed to be achieved within the expected duration of the contract and will complement the following targets and objectives established for the Company and all its activities:

1. Regularly monitor the Company's performance on an ongoing basis, achieved by internal and external environmental audits carried out by trained personnel. This will include auditing compliance with the Company's Environmental Policy.
2. Where there are no recognised standards or environmental parameters, the Company will establish well-defined and, where possible, quantifiable standards of its own, to ensure environmental concerns are controlled as far as reasonably practicable.
3. Use construction methods and processes which have minimum impact on the environment and those affected by our operations where practical and where possible, and develop and improve operations to minimise waste and dispose of it safely to prevent pollution. To this end, the Company will use recycled or sustainable materials where feasible.
4. Take responsible action to report and correct environmental incidents when they occur, as well as ensure that employees and contractors follow the Company's policy and report any environmental concerns to facilitate rapid response.
5. Use all energy resources conscientiously and efficiently throughout its operations.
6. Ensure that industry best practices, techniques and methods are employed and that these are reviewed and implemented when appropriate.
7. Seek to communicate and liaise with the local community throughout the entire project.
8. Seek to influence the customer to adopt cost effective environmentally positive materials and solutions wherever possible. On design, the Company will promote the use of recycled or sustainable materials.

Construction works' specific targets and objectives resulting from register of environmental aspects, legal and other requirements are as follows:

Objectives		Targets	
1.	To manage construction activities with the potential to cause contamination of soil and groundwater	1.1	Minimise risk of spillages through good practice, especially when handling hazardous material.
		1.2	Think about prevention - meet the principles set out by emergency plans, provide training of personnel, including subcontractors, ensure that emergency kits are available
2.	To manage construction activities with the potential to impact on air quality and generation of greenhouse gases	2.1	Reduce dust generated from construction activities and moving traffic during dry seasons
		2.2	Limit increases in traffic and distance travelled by employing local suppliers where possible
		2.3	Minimise use of energy as far as practical and encourage subcontractors to monitor their own carbon footprint
3.	To appropriately manage noise during construction activities to minimise impact to workers and community	3.1	Strictly adhere to the requirements set down by Environmental and Social Management Plan and Construction Traffic Management Plan
4.	To ensure the topsoil protection	4.1	Strictly adhere to requirements set down by Slovak Act 220/2004 on the protection and use of agricultural land
5.	To ensure the cultural heritage protection	5.1	Adhere to requirements set down by Slovak Act 49/2002 on the protection of monuments
6.	To appropriately waste management during Construction works	6.1	Reduce construction wastes through implementing of Waste Management Plan
		6.2	Properly handle hazardous waste streams

One of the aims of the ESMS is to regulate all environmental and social commitments arising from the Environmental Impact Assessment procedure and requirements stated in zoning permits and building permits. The basic tool for management of environmental commitments is the “**Environmental and Social Management Plan (ESMP)**” which defines environmental control procedures and mitigation measures for individual environmental issues:

- Soil protection.
- Noise and vibration.
- Water protection.
- Air quality protection.
- Protection of biodiversity.
- Waste management.
- Contaminated land.
- Cultural heritage.
- Construction Traffic Management.

Implementation and effectiveness of measures involved in the ESMP and related plans is monitored regularly.

EPC Contractor is aware that the conservation of biodiversity and sustainable management of living natural resources are fundamental to environmental and social sustainability. The principal impacts on biodiversity were identified throughout the EIA procedure which was carried out on all sections of D4R7 Project. The primary mitigation measures were included in the design of D4R7 alignment in order to minimise the intervention to precious territories of nature conservation. Specific measures were designed to reduce negative impacts on migration in the form of ecoducts and culverts. Bridges were designed in parameters which enable migration of animals as well.

The most significant impacts on biodiversity occur in the Section 1 D4 Jarovce - Ivanka Sever where the highway route passes through Natura 2000 sites situated on both banks of Danube River. Due to the fact that impacts on Natura 2000 sites were assessed as significant, compensatory measures had to be adopted according to the Habitats Directive. Compensatory measures focus on replacement or compensation of cut down forest as a potential nest biotope, damaged grass as foraging biotope. According to the decision of the Ministry of Environment of the Slovak Republic no. 1094/2017-6.3 dated 28th April 2017 it is about new forest areas (50 ha) in the cadastral area of Rusovce, Čunovo, Kameničná and new grass areas (90 ha) in the cadastral area of Veľké Kosihy, Podunajské Biskupice and Rusovce.

The compensatory measures were included in the following objects:

- 071 Compensatory measure 1, Forestation in cadastral area Rusovce
- 072 Compensatory measure 2, Forestation in cadastral area Čunovo
- 073-1 and 073-2 Compensatory measure 3, Grassing in cadastral area Veľké Kosihy
- 074 Compensatory measure 4, Grassing in cadastral area Podunajské Biskupice
- 075 Compensatory measure 5, Grassing in cadastral area Kalinkovo
- 076 Compensatory measure 6, Biskupické rameno reflowing
- 077 Compensatory measure 6, Bridge on forest road over Biskupické rameno
- 078 Compensatory measure 9, Grassing in cadastral area Rusovce
- 079 Compensatory measure 8, Forestation in cadastral area Kameničná

Compensatory measure 7 is based on the establishment of Legislation Protection of Forest Habitats in the cadastral area Klúčovec, Kalinkovo and Nové Košariská.

The implementation of the compensatory measures will be monitored by the routine procedures during the construction according to Biodiversity Management Plan (BMP).

Other biodiversity protection measures, such a protection of trees and habitats or ecological surveys prior to construction in order to transfer protected species are incorporated in the BMP.

The Project aims to minimise impacts on the environment and people through careful selection of the motorway route in consultation with the public and completion of impact assessments compliant with Slovak regulations. In order to manage the relations with public and other stakeholders, a “Stakeholder Engagement Plan” has been developed by the EPC Contractor. This plan has been designed to ensure that all stakeholders with an interest in the Project are identified and meaningfully consulted with during the development and life of the Project. It outlines previous consultation activities and future plans to engage with stakeholders. A Public Grievance Mechanism has been developed as a part of this document in order to manage or compensate any unexpected environmental and social impacts of the Project.

An important part of an integrated management system is the management of social issues. The company management is aware of its responsibilities and obligations towards employees and the importance of prevention and mitigation of adverse impacts. In order to manage these social issues the company has adopted two main documents:

- Health and safety policy, and
- Human resources policy.

The objective of health and safety policy is to protect the safety and health of workers by providing healthy working conditions. H&S management principles have been incorporated into the Manual of occupational health and safety in accordance with the standard OHSAS 18001 and into Health & Safety Plan which has been prepared in accordance with Government Regulation No. 396/2006.

The company’s management recognises that for the project implementation the proper human resources management and a sound worker-management relationship based on respect for workers’ rights are key ingredients to the sustainability of business activities. By treating workers fairly and providing them with safe and healthy working conditions, the company creates tangible benefits, such as enhanced efficiency and productivity of their activities. These are the main principles of company’s human resources policy.