Environmental and Social Non-Technical Summary

GPC Sajószöged Solar PV Power Plant Project, Hungary

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Acronyms and Abbreviations

E&S	Environmental and Social
EBRD	European Bank for Reconstruction and Development
EPC	Engineering, Procurement, and Construction
ESHS	Environmental, Social, Health and Safety
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
EU	European Union
HSE	Health, Safety, and Environment
IFC	International Finance Corporation
O&M	Operations and Maintenance
PV	Photovoltaic
SCI	Site of Community Importance
SPV	Special Purpose Vehicle

1. ABOUT THE PROJECT

1.1 WHAT DOES THE PROJECT CONSIST OF?

The Project is a solar photovoltaic (PV) power generation portfolio with a total installed capacity of approximately 250 megawatts (MW_{DC}).

It is being developed and will be operated by GoldenPeaks Capital Holding Ltd., through its wholly owned Hungarian subsidiary, Spectris Hungary Kft (the Company). The Project is financed by the European Bank for Reconstruction and Development (EBRD) and other financial institutions.

The Project is located in northeastern Hungary, in Borsod-Abaúj-Zemplén County, and spans agricultural land within the administrative areas of Sajószöged, Nagycsécs, Hejőbába, and Nemesbikk. It consists of six individual solar PV subprojects named Sajószöged I, II, III, VI, VII, and IX, each owned by a separate Hungarian company as shown below:

TABLE 1-1 PROJECT PORTOFOLIO

SPV	Project	Capacity (MW_{AC})	Capacity (MW_{DC})
Golden NES Solar Kft.	Sajószöged I.	27.75	36.98
Peak NES Solar Kft	Sajószöged II.	41.25	49.72
GP NES Solar Kft	Sajószöged III.	27.00	36.28
Hejő Solar Kft.	Sajószöged VI.	32.70	49.45
Nemes NES Solar Kft.	Sajószöged VII.	28.50	38.05
Sajószöged Solar Kft.	Sajószöged IX.	30.00	39.56
Total Capacity		**187.20**	**250.04**

Each subproject will include solar PV panels, inverters, and associated electrical infrastructure. The subprojects will be interconnected via 22 kV underground cables to a 220/22 kV Project substation located within the Sajószöged I site. This substation will connect to the Hungarian national grid through a 220 kV underground export cable linking to the nearby MAVIR ZRt.-operated Sajószöged high-voltage transmission substation.

All permits required for the Project construction were obtained. Only in the case of Sajószöged II subproject an update of the existing building permit is required due to a design change to include an extended subproject area.

Construction is expected to begin in October 2025, with the solar plants becoming operational by mid-2027.

The location of the Project and its layout are shown in the below figures.

FIGURE 1-1 PROJECT LOCATION

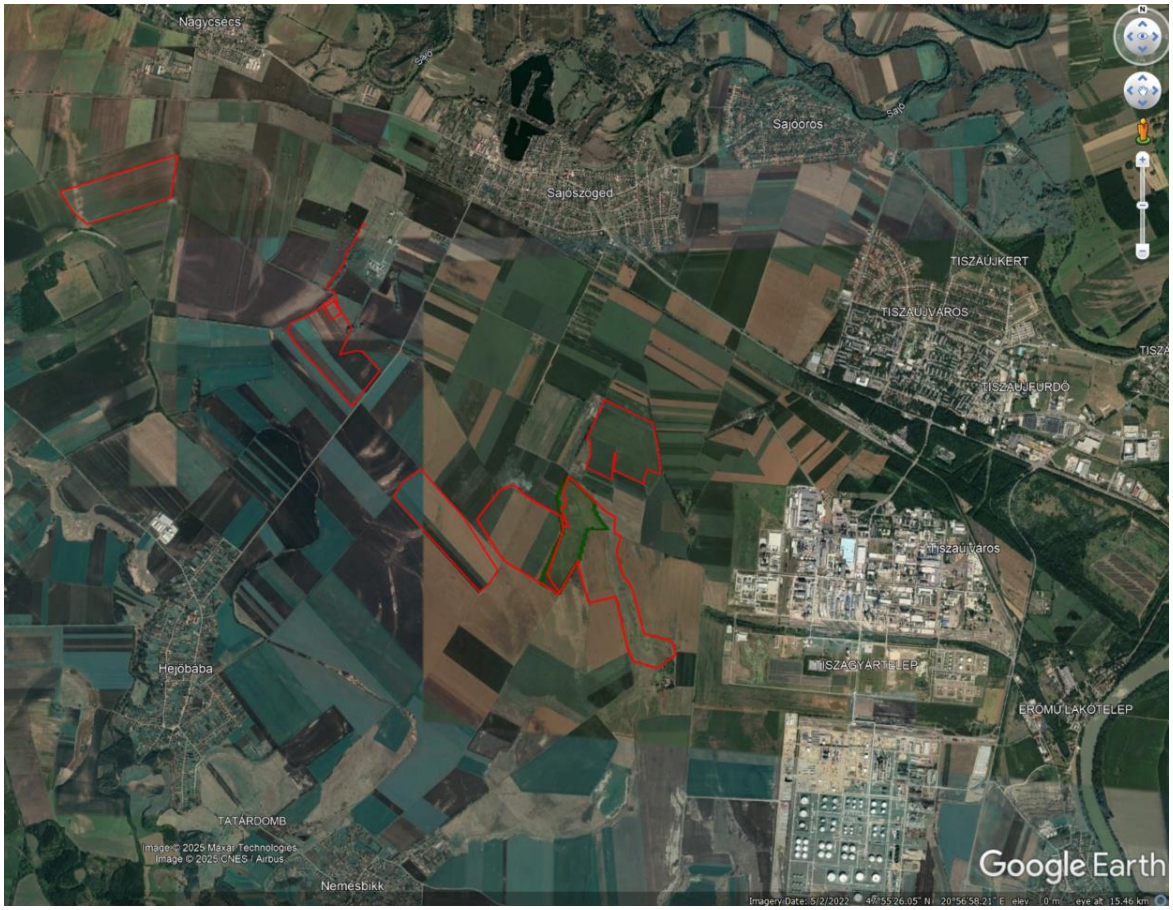
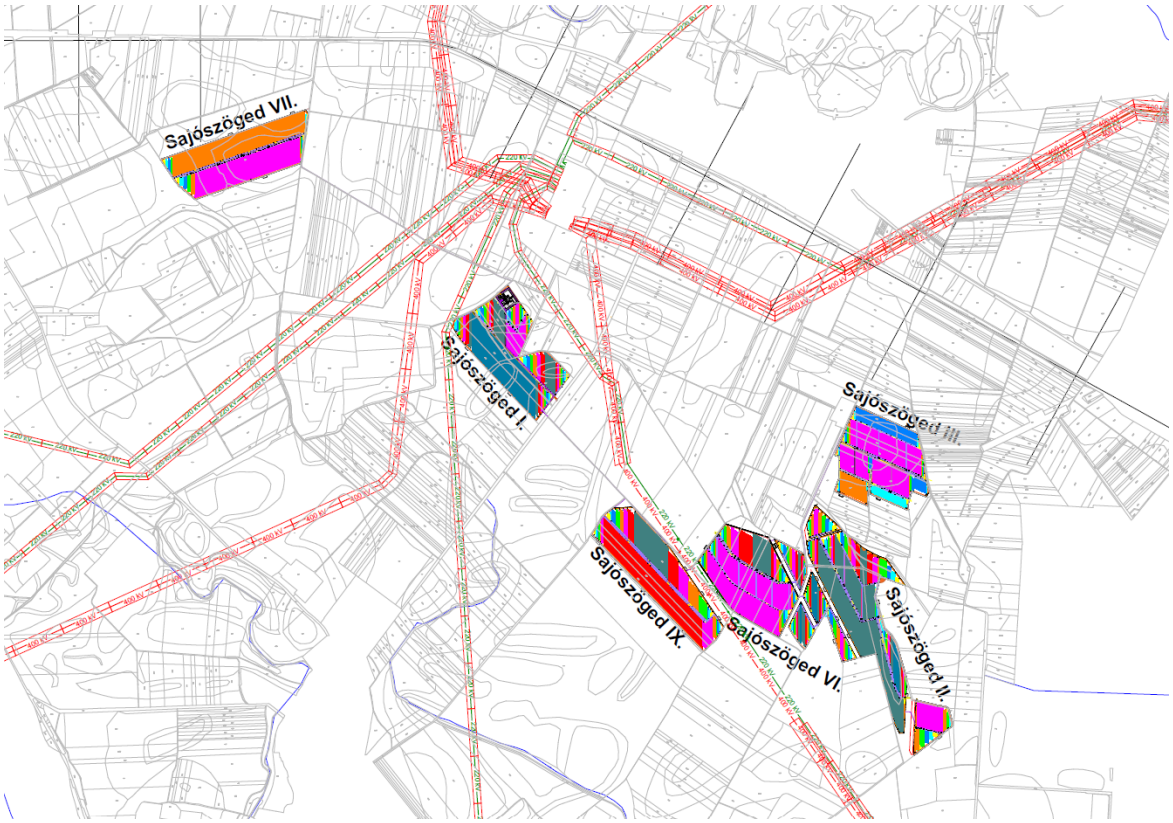


FIGURE 1-2 PROJECT LAYOUT



1.2 WHAT ARE THE KEY BENEFITS OF THE PROJECT:

The Project will result in a number of environmental benefits including:

- Clean Energy Generation: The solar farms will produce around 320 gigawatt-hours of electricity each year, enough to power tens of thousands of homes, helping Hungary reduce its reliance on fossil fuels.
- Climate Impact: By using solar energy, the Project is expected to cut carbon dioxide emissions by approximately 82,000 tonnes annually, contributing to climate change mitigation.
- Support for Hungary's Energy Transition: The Project will increase the share of renewable energy in Hungary's electricity mix, improve competition in the energy market, and support national and EU climate goals.
- Local Economic Development: The construction and operation of the solar farms will create jobs and generate tax revenue for local municipalities, supporting the rural development.

2. HOW ARE THE PROJECT'S ENVIRONMENTAL AND SOCIAL ASPECTS ADDRESSED DURING PROJECT CONSTRUCTION AND OPERATION?

2.1 ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL IMPACTS

The potential Project impacts have been assessed in accordance with the Hungarian regulations.

Each of the six solar plant sites underwent an individual environmental review and received the required construction permits. An exception is part of one site (Sajószöged II), which required additional environmental scrutiny due to its location near protected ecological areas. The Project developer adjusted the design to meet the regulatory requirements related to the protection of ecological areas, and the building permit update process is underway.

The assessment performed for the Project followed by the environmental authorities' review process resulted in the identification of the Project's potential impacts and of the measures needed to avoid or reduce these impacts.

On this basis, the Company and the construction contractors will establish management processes and will allocate the necessary resources aimed at ensuring that the potential environmental and social impacts associated with the Project are properly addressed at all times.

This will be achieved by implementing a set of environmental and social management planning (ESMP) procedures and through provision of the resources and staffing needed for their implementation. These management processes address all Project environmental and social aspects including:

- Project environmental, social, health and safety (ESHS) management structure, controls, and assurance processes;
- Workforce management, including grievance mechanism;
- Pollution prevention and control;
- Wastes management;
- Health and safety, including
  - Occupational health and safety for Project workers during construction and operation;
  - Community health and safety, addressing risks to local residents such as construction traffic, work on public and private land, worker accommodation, prevention of communicable diseases, and respectful conduct by foreign workers;
- Emergency preparedness and response
- Biodiversity management
- Protection of cultural heritage, including protection on site of an archaeological site and procedures for handling unexpected archaeological finds during excavation and avoiding known archaeological sites.

The Company is responsible for implementing these measures and for managing the Project's environmental, health, safety, and social impacts.

During the construction stage this responsibility is shared with the construction contractors, while during the operation stage with the operations and management contractors.

The following sections provide an overview of how these environmental and social aspects are managed during both the construction and operation phases of the Project.

2.2 POLLUTION PREVENTION AND CONTROL

As indicated above, a complete set of measures aimed at ensuring that Project's impacts on environment are at all times managed and mitigated is in place for both the Project construction and operation phases.

This includes procedures, clearly defined responsibilities, resources and staffing ensured by the Company and their contractors and addressing all potential environmental aspects, as informed by the environmental assessment performed for the Project.

The most relevant environmental and social aspects related to Project implementation are summarised below.

Pollution Prevention and Control

Construction may involve risks such as accidental fuel spills from machinery. Contractors will be required to follow strict spill prevention procedures. No hazardous materials will be stored on site permanently.

In case of an accidental spill, immediate response measures will be executed by the Project contractors in line with the spill prevention and emergency response plans developed for the Project.

All waste generated during construction will be separated by type and removed by certified waste handling companies.

The Project uses very limited water, mainly for hygiene purposes and occasional cleaning of solar panels, and does not rely on local water sources. Drainage systems will be designed to avoid water accumulation on nearby agricultural land.

Topsoil Management

Topsoil represents a valuable natural resource and is strictly regulated under the Hungarian law. The Project developer addressed this topic throughout the permitting process.

As part of the agricultural land withdrawal process, the authorities imposed specific conditions, including the preparation of Topsoil Management Plans. These plans were required to comply with national regulations and detail how the fertile, humus-rich topsoil layer would be managed at each subproject area.

The plans were tailored to the specific conditions and characteristics of the topsoil at each location and incorporated measures to ensure compliance with key requirements including: removal and temporary on-site storage of topsoil during construction, prevention of contamination, avoidance of soil compaction, rainwater drainage, and site restoration.

A key objective of the plans is the preservation and the on-site reuse as preferred option of the humus layer. Where on-site reuse is not feasible, relocation is allowed only with prior approval from authorities, to pre-approved locations, and subject to regulatory conditions and applicable soil protection fees.

Waste Management

During construction, all waste from the Project will be carefully separated, stored securely, and disposed of in compliance with strict environmental regulations. Special attention will be given to hazardous waste, which must be documented and managed safely.

The construction contractor will be contractually required to follow all waste regulations and use only licensed waste management companies. These measures are in place to ensure safe and responsible waste handling throughout the Project.

Water Management

The Project does not require water use other than water for sanitary purposes. During construction, mobile toilets will be installed, with their tanks regularly emptied and transported off-site by authorized services.

Throughout operation, water for sanitary purposes will be sourced off-site and stored on-site, with waste disposal managed by contracted services. During the operational phase, limited water quantities may also be needed for solar panels cleaning. If required, water for cleaning will be delivered in small mobile containers and used as needed.

Pest Management

Construction can disturb the land and create conditions for invasive plants to spread. These plants can also be accidentally brought in by equipment or materials.

To prevent this, strict measures will be taken during construction, especially in sensitive areas like the ecological buffer zone at Sajószöged II and near grasslands.

These measures also include, particularly during operations stage, regularly mowing disturbed areas before plants can spread seeds (typically during July–August period). Vegetation will mainly be managed using mechanical methods (like mowing), with herbicides used only when absolutely necessary and in line with national and EU regulations.

2.3 LABOUR AND WORKING CONDITIONS

Throughout the life cycle of the Project, the construction stage is the most labour intensive, and involves construction workers both local and from other regions of Hungary and potentially from abroad. The non-local construction workers will likely be accommodated in spaces rented within the nearby settlements.

During operations, the workforce needs are rather limited and comprise few contracted personnel in charge of operating, maintaining and ensuring the integrity of the PV Plant.

In addition to complying with the provisions of the Hungarian Labour Code, the Company has established clear commitments to ensure fair and safe working conditions, as outlined in its corporate environmental and social policies, which will be cascaded and implemented at Project level. These commitments include:

- *Fair Employment Practices*: All workers must receive clear and understandable contracts before starting work. Living conditions for workers must meet international standards, and employment practices must comply with Hungarian law and international labour standards.
- *Labour Rights*: The rights to fair wages, safe conditions, equal treatment, and freedom of association are respected. The use of child or forced labour is strictly prohibited, and special attention is given to the rights and treatment of migrant workers.
- *Contractor Requirements*: All contractors must follow national laws and international standards. They are expected to provide safe working environments and uphold labour rights throughout the construction phase.
- *Health and Safety*: Safety is a top priority. Risk assessments must be done before any work begins, workers can stop unsafe work, and emergency response plans must be in place. All practices must meet international health and safety standards.
- *Grievance Mechanisms*: Workers must have access to a confidential and fair process to raise concerns without fear of retaliation.
- *Ongoing Monitoring*: The Company commits to regular safety audits and performance reviews to ensure continuous improvement in working conditions.

These commitments will be implemented on-site through a dedicated Workforce Management Plan.

The Project Developer implemented a responsible sourcing process ensuring that the solar panels as well as other equipment and materials required for the project are delivered by suppliers procuring in their turn the needed materials from sources not associated with labour abuses.

2.4 HEALTH, SAFETY AND SECURITY

Occupational Health and Safety

The Project Developer is committed to ensure that workers involved in the Project construction and operation are provided with safe and healthy work environment and conditions. These will be ensured through management procedures guided by the national occupational health and safety regulatory requirements as well as with the good international industry practice on the matter.

The Project will implement a set of measures to manage occupational health and safety risks during construction, particularly those related to the use of heavy machinery and equipment. This will include the scheduling of regular maintenance activities and safety inspections as part of its overall risk mitigation approach.

In line with applicable regulatory requirements, the Project will ensure proper occupational health and safety oversight, including regular health monitoring for construction workers and access to appropriate medical support throughout the construction phase.

These OHS measures will be embedded in the Engineering, Procurement, and Construction (EPC) Contract for the Sajószöged PV Portfolio and aligned with the Project's Environmental and Social Management Plan (ESMP), as well as the contractor's Health, Safety, and Environment (HSE) plans and procedures.

Community Health and Safety

In addition to managing the occupational health and safety aspects, the Project is committed to addressing any potential health and safety impacts from Project implementation on general public and communities.

Given the relatively isolated PV Plant sites location, potential community health and safety risks associated with the Project are expected to be limited. Such potential risks are expected to primarily be associated with the construction traffic on public roads and may also pertain to non-local construction workers (e.g. related to aspects such as worker accommodations, interactions with local communities, and Project security arrangements).

Also, the potential for exposure to disease may be linked to the non-local and foreign construction workforce, who are expected to be accommodated in rented spaces within nearby settlements.

Therefore, community health and safety management arrangements addressing the above will be integrated into the Project's overall management system, ensuring that national regulations and international best practice guidelines are followed at all stages of implementation.

These will be ensured through planning, organizational capacity and resources provided by the Project Developer and the employed contractors.

Emergency Preparedness and Response

The Project will develop and implement emergency preparedness and response planning procedures to ensure a clear course of action in the event of any potential emergency situations during construction or operation.

This planning will comply with Hungarian regulatory requirements and reflect international best practices.

All personnel involved in the construction and operation of the Project will receive training on emergency procedures and their specific roles and responsibilities in the event of an incident.

2.5 LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT

The land needed for the solar project was acquired in 2021. Most of the land was agricultural or grazing land, without buildings.

The Project was declared of national importance by the government, allowing expropriation under Hungarian law when needed. Before expropriation, the developer offered to buy the land based on values set by an independent expert. Most landowners agreed to sell, and only three cases required the authorities to step in to determine compensation. All compensation exceeded the market value, and landowners were paid in full.

In addition to public land along existing access tracks, underground cables for the Project will cross a few private plots, for which legal access rights (easements) have been secured. Landowners will be notified in advance of any works, and any damage to crops will be compensated.

No people were physically displaced, and the land taken did not significantly affect livelihoods, as none of the former landowners depended on the acquired land for their income or subsistence.

All legal rights and remedies were explained to the landowners during the process. No complaints or legal challenges have been submitted since.

A specific procedure (grievance mechanism) has been put in place to facilitate the communication between and affected landowner or land user with the Project representatives and ensure that any potential complaints are addressed promptly.

This grievance mechanism is part of a Stakeholder Engagement Plan implemented for the Project to enable meaningful communication and consultation processes with the Project stakeholders (see Section 2.8).

2.6 BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES

Most of the Project sites are located on cultivated farmland with low ecological value. However, part of one site, Sajószöged II, overlaps with the buffer zone of a neighboring ecological corridor established through the National Spatial Plan[1].

Five of the six project areas are currently used for growing crops, while the Sajószöged II site also includes land used for grazing animals. The substation is located within the Sajószöged I area and is also used for farming.

[1] Act CXXXIX of 2018 on the Spatial Planning of Hungary.

Environmental surveys showed that five sites (Sajószöged I, III, VI, VII, and IX) are part of a heavily farmed landscape, with plant life mostly made up of common weeds found along roads and in fields. No rare or protected plants were found and overall, the plant life across these sites was considered to have low ecological value.

Animal life is mostly made up of species that are common in farmed areas: amphibians (such as green toads, tree frogs, and marsh frogs), birds (including species like skylarks, shrikes, swallows, and buzzards) and mammals (including small protected species like shrews and moles, as well as common animals like deer and weasels).

At these subproject sites (Sajószöged I, III, VI, VII, and IX), surveys will be conducted before any vegetation clearance or groundworks begin. These surveys will be carried out by qualified specialists to check for the presence of ground-nesting birds protected under EU conservation laws. Based on findings, appropriate measures, such as adjusting construction timelines to avoid the breeding season, will be applied.

The Sajószöged II subproject is located in a heavily farmed landscape used for grazing, hay production, and crop farming. Most of the plant life consists of common weeds and species that thrive in disturbed areas. No rare or protected plants were found, and the overall plant diversity was low.

Animal life at the site is mostly made up of generalist species that are well adapted to human-altered environments. However, several protected species were recorded during surveys:

- Amphibians: Green toad, European tree frog, and marsh frog all protected under Hungarian law.
- Birds: A variety of protected birds were observed, including white stork, red-footed falcon, European roller, European bee-eater, marsh harrier, skylark, red-backed shrike, barn swallow, and common buzzard. No nesting sites were found.
- Mammals: Common species like weasel, roe deer, and field vole were seen, along with protected species such as the common shrew and European mole.

According to available data, the fauna in the Sajószöged II site area is used by four bird species protected under the EU Birds Directive and by international agreements: the White Stork, Red-footed Falcon, European Roller, and Marsh Harrier. These species are especially important for conservation and, under the EBRD's Environmental and Social Policy, are classed as Priority Biodiversity Features. The Project must therefore ensure No Net Loss of biodiversity in the area.

To achieve this, a Framework-level Biodiversity Management Plan (Framework BMP) is being developed for the Project and will be publicly disclosed. The Framework BMP will include existing mitigation measures identified in past assessments, identify any additional measures needed, and integrate these into a management framework addressing biodiversity risks and impacts, with a particular focus on achieving No Net Loss of Priority Biodiversity Features.

Additional ecological studies and surveys, using international best-practice biodiversity assessment methods, are planned at the Sajószöged II site area to provide up-to-date information on protected species.

Based on this work, and building on the Framework BMP, a detailed Biodiversity Management Plan (BMP) will be developed and implemented during the Project's construction and operation.

This plan will guide how the mitigation measures are put into practice to protect biodiversity across the Project sites and meet the No Net Loss objectives for Priority Biodiversity Features at the Sajószöged II site.

If any high biodiversity values are found to be significantly affected even after applying all avoidance and minimisation measures, a Biodiversity Action Plan will be prepared and implemented. This will include restoration and compensation strategies to ensure no net loss of biodiversity.

Invasive species control will also form part of the biodiversity management planning. During construction, strict controls will be put in place to prevent the accidental spread of invasive alien plants (such as from contaminated machinery or imported materials). Regular mowing and vegetation management will be used to prevent unwanted plant growth, and the use of chemicals like herbicides will be strictly limited and regulated, especially near sensitive ecological areas.

During the operation phase, maintenance contractors will be required to follow environmentally responsible practices, including a ban on the use of herbicides and pesticides unless strictly necessary. These requirements will be included in their contracts to ensure long-term protection of biodiversity.

2.7 CULTURAL HERITAGE

Archaeological surveys have been carried out across all Project sites, with the exception of a recently added extension area at the Sajószöged II site. In this extension area, a historic feature, a traditional Hungarian sweep well (gémeskút), was identified. This structure has been designated by the authorities as requiring preservation. As a result, the Project will ensure the protection and retention of the sweep well during both the planning and construction phases.

In addition, one known archaeological site, Sajószöged Aranyos-halom, is located within the Project area. This site is to be preserved in its original condition. To ensure this, special protection measures and construction restrictions will be applied to avoid any disturbance of the site. These measures will be guided by a Cultural Heritage Management Plan.

Throughout construction, qualified archaeological experts will supervise excavation and ground-disturbing activities across all sites. Their presence will ensure that any cultural heritage features are properly identified and protected.

If any unexpected archaeological or cultural heritage items are discovered during construction, work in the affected area will be stopped immediately. Protective steps will be taken, and the relevant heritage authorities will be informed in line with Hungarian regulations. Any further action needed will be guided by the instructions of the authorities.

2.8 INFORMATION DISCLOSURE AND STAKEHOLDER ENGAGEMENT

A Stakeholder Engagement Plan (SEP), which includes a Grievance Mechanism, has been developed for the Project and is publicly available on the project website.

The primary objective of the Project SEP is to map out the strategy for engaging the various stakeholder groups and individual stakeholders in the activities of the Project. The SEP identifies and describes key Project stakeholders, public and other interested groups. It summarizes the consultation process and how feedback and comments are considered and how grievances are handled via the Project-specific grievance mechanism.

The SEP outlines how the Project will engage with stakeholders and affected communities and will be updated and refined as the Project progresses. Its purpose is to ensure that stakeholder engagement is ongoing, transparent, and meaningful throughout all stages of the Project's life cycle.

The SEP also includes a Grievance Mechanism which provides a formal, accessible, and transparent process for stakeholders to raise concerns or complaints. The grievance mechanism ensures that issues are promptly identified, investigated, and resolved in a fair and timely manner, maintaining trust and accountability.. All grievances received will be formally recorded, reviewed, and responded to in a timely manner.

To make the process accessible, multiple channels have been established for submitting grievances as follows:

- by email at: attila.kulcsar@spectrisenergy.hu to Grievance Manager
- verbally through the Grievance Mechanism telephone line: +36 20 981 5983
- by email at or via phone to the Community Liaison Officer: Istvan Takacs, istvan.takacs@spectrisenergy.hu , +36203772720
- grievance form available for download and print from the Project webpage: www.goldenpeakscapital.com
- letter/grievance form sent via post at: Spectris Hungary Kft. Vak Bottyán utca 75/A-C 1191 Budapest