

HUMAN RIGHTS IMPACT ASSESSMENT  
NON-TECHNICAL SUMMARY

EVE Power Hungary Kft.

## Catalogue

1.	Non-technical Summary .....	1
2.	Overview of the project .....	1
	2.1 Project Location .....	1
	2.2 Project Components and Layout .....	2
3.	HRIA Methodology and Process .....	4
4.	Human Rights Impact Assessment .....	6
	4.1 Potential Impacts to Labor and Working Conditions for Project Workers, including Occupational Health and Safety .....	9
	4.2 Potential impacts to workers’ rights along the supply chain .....	10
	4.3 Potential impacts to community safety associated with employment of security personnel.....	10
	4.4 Potential inability of Rightsholders to Participate and/or Access Remedy .	11
	4.5 Cumulative impacts.....	11
5.	Management of Human Risks and Impacts.....	12

## **1. Non-technical Summary**

This is the non-technical summary (NTS) of the Human Rights Impact Assessment (HRIA) for the Large Cylindrical Cell for Passenger Car Project in Debrecen, Hungary.

A separate Social Impact Assessment (SIA), an IPPC/Environmental Impact Assessment (EIA) and a Climate Change Risk Assessment (CCRA) have been developed for the project.

The NTS describes the project, the methodology and process of the HRIA, the results of the impact analysis, and the mitigation measures.

This report is prepared in both English and Hungarian. In case of any discrepancies or ambiguities, the English version shall prevail.

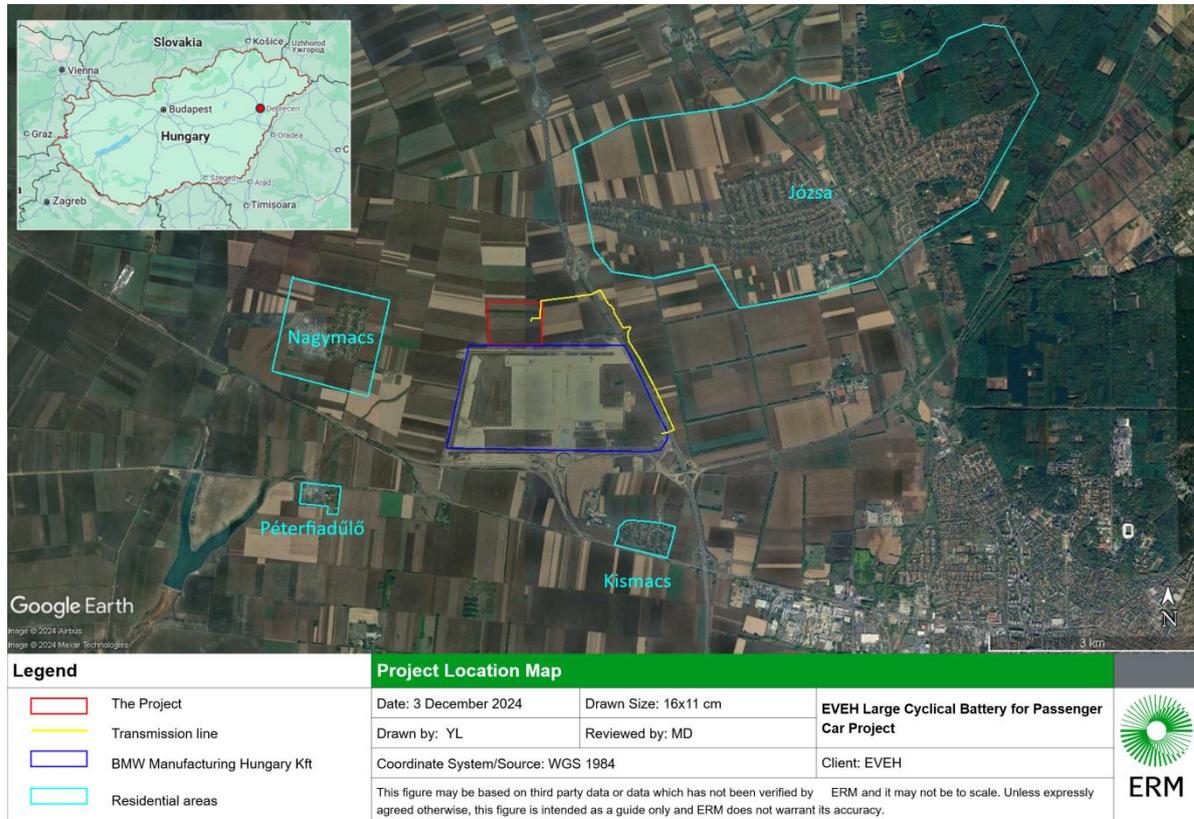
## **2. Overview of the project**

EVE Power Hungary Kft. (hereinafter referred to as “EVEH”) is developing a large battery manufacturing plant (the “Project”) in Debrecen, which is situated in the North-West Economic Zone, Debrecen City, Hajdú-Bihar County, Northern Great Plain region, Hungary. The Project construction started in 2023, and operation is planned to commence in 2027.

### **2.1 Project Location**

The Project is located at Plot No. 0237/405 in the North-West Economic Zone of Debrecen, Hungary. The Economic Zone is about 5 km west of Debrecen urban area, covering a total area of 500 hectares, with the Project occupying 45 hectares. As Hungary’s second-largest city and the county seat of Hajdú-Bihar, Debrecen has a total area of 465 km<sup>2</sup>. Most residents live in the downtown area. Its southern suburbs are dominated by agricultural and industrial activities, while the eastern part focuses on forestry.

Figure 2-1 Project Location



## 2.2 Project Components and Layout

The plant aims to produce lithium-ion batteries with an annual capacity of 30 GWh. The planned production plant will primarily supply the neighbouring BMW plant with cylindrical battery cells. Main components of the Project are listed in the table 2-1 below.

**Table 2-1 Main Components of the Project**

Component	Note
<b>Production Facility</b>	
Electrode Workshop	A 2-storey building covering a land area of approximately 21,633.19 m <sup>2</sup> . Main functions: 3 anode production lines and 3 cathode production lines
Assembly Workshop	A 2-storey building covering a land area of approximately 20,873.46 m <sup>2</sup> . Main functions: Battery assembly
Formation Workshop	A 3-storey building covering a land area of approximately 16,568.63 m <sup>2</sup> . Main functions: Battery testing, ageing and sealing.
Pipelines	Communal drinking water supply network; Grey water and diluted water network; and Fire water and sprinkler network
<b>Auxiliary Facility</b>	
Raw Material Warehouses	A 3-storey building covering a land area of approximately 4,000 m <sup>2</sup> . Main functions: Store powder raw materials such as active cathode and anode materials, binders, conductive additives, and copper and aluminium foils.
Sorting Warehouse	A 3-storey building covering a land area of approximately 12,691.28 m <sup>2</sup> . Main functions: Elevated warehouse storage system for finished battery cells
NMP and Electrolyte Tank Farm	Covers a land area of approximately 964.88 m <sup>2</sup> . Main functions: Store and supply NMP and electrolyte solutions for electrode manufacturing and cell production.
Battery Test Lab	Covers a land area of approximately 1,035.26 m <sup>2</sup> Main functions: Battery testing and dismantling.
Battery Disposal Building	Main functions: Damaged battery dismantling.
Utility Building	A 2-storey building covering a land area of approximately 8,938 m <sup>2</sup> , to accommodate: <ul style="list-style-type: none"> <li>• 2×17.5 MW and 1×14MW hot oil boilers heated by gas burners;</li> <li>• 3×15 t/h steam boilers heated by gas burners;</li> <li>• Compressed air and nitrogen supply system;</li> <li>• Cooling water system;</li> <li>• Industrial wastewater treatment facility;</li> <li>• Greywater treatment area and associated pump house;</li> <li>• Refrigeration equipment for air handling units;</li> <li>• Industrial dilution water preparation system; and</li> <li>• 570 m<sup>3</sup> firewater storage tank.</li> </ul>
Stormwater Collection System	Two stormwater retention ponds, with a volume of 3,500 m <sup>3</sup> for each. Main Functions: Two separate internal stormwater networks, one for clean stormwater and one for potentially oil-contaminated stormwater.
Hazardous waste temporary storage	A 2-storey building covering a land area of approximately 371 m <sup>2</sup> . Main functions: Storage of hazardous waste from production and storage of hazardous raw materials (DMC, ethanol, thermal oil).
Multifunctional Building	A 3-storey building covering a land area of approximately 2,530.37 m <sup>2</sup> .

Component	Note
	Main functions: include office space, kitchen and canteen, test labs, central server room and on-site fire station
Transformer Substation	Covers a land area of approximately 4,000 m <sup>2</sup> . Main functions: The Substation receives power from 2*132 kV transmission lines and transforms voltage from 132kV to 11kV.
Other Building Units and Facilities	Consists of staff and VIP access points, a reception office, a guards' technical room, connecting bridges, smoking pavilions, and municipal waste collection points.
<b>Associated Facility</b>	
Transmission Lines	Two 7 km-length 132 kV transmission lines (underground cables), with a total length of 7.76 km, connecting the project substation with the Debrecen Eve 132/11 kV transformer substation. It will be constructed by contractors of EVEH 7 km-long 132 kV transmission lines and its ownership will be transferred to OPUSTITÁSZ during operation. The environmental impact of constructing and operating this underground cable was assessed in a preliminary study related to the establishment and infrastructure provision of the Debrecen North-West Economic Belt. The study concluded with the decision issued under registration number HB-03/KTF/00117-2/2019. Further social risks and impacts were assessed by the supplementary SIA document.
External Pipelines Connection	Connecting the drinking water, diluted industrial water and grey water pipelines to the Project. The external water pipeline networks will be constructed and operated by the City of Debrecen (DJMV). The length and layout of the water pipeline networks are unknown at the time of preparing this report.  The design, construction, and operation of the offsite water supply system serving the Project are under the responsibility of the local government, and EVEH does not have access to the related process documentation. Based on available information provided by EVEH, the environmental impact and risk assessments for the water supply system have already been integrated into the project development process in accordance with regulatory requirements. The environmental permit EVD (Előzetes Vizsgálati Dokumentáció - Preliminary Survey) has been obtained for the entire grey water system (grey water, diluting water, technology sewage). This EVD has also obtained a closing (approval) resolution HB/17-IKV/00049-2/2025. Therefore, no further assessment of this component is included in this report.

### 3. HRIA Methodology and Process

The purpose of a HRIA is to identify the potential salient human rights risks associated with the Project.

A comprehensive HRIA has been developed by ERM (Shanghai) Limited. ERM is an independent consultant to EVEH.

The HRIA follows a four-step methodology guided by the UN Guiding Principles on Business and Human Rights (UNGPs):

- **Screening:** A desktop review and stakeholder mapping were used to identify potential rightsholders and human rights impacts.
- **Human Rights Baseline:** The local human rights context was established through a document review and consultations with rightsholders and stakeholders. The consultation sought to understand the concerns and recommendations of rightsholders and the relevant authorities. Engagement should be conducted in a rights-respectful manner by practitioners to avoid potential additional harm to rightsholders.
- **Impact Assessment:** The assessment focuses on rights from the International Bill of Human Rights and relevant ILO conventions. Potential risks were evaluated for their overall severity based on scale, scope, irremediability, and likelihood of the impact occurring. The matrix depicted in Table 3-1 was used to assign a classification for each potential risk identified.
- **Management Measures:** Mitigation measures were identified based on the severity classification, with higher risks requiring more significant management.

**Table 3-1 Overall Impact Severity Classification**

Severity	Likelihood		
	Unlikely	Likely	High likely
Low	Low	Low	Medium
Medium	Low	Medium	High
High	Medium	Medium	High

#### 4. Human Rights Impact Assessment

The following rightsholders have been identified:

- Nearby communities of the Project;
- The workforce directly employed by EVEH for the Project and contractor workers;
- The workforce involved in the wider Project supply chain;
- Vulnerable groups.

To support the HRIA work, EVEH conducted targeted consultations with rightsholders and relevant authorities, including Hungarian Battery Association, Project Water Supplier, University of Debrecen, Deputy Mayor of Debrecen, resident representatives from nearby communities, local and Chinese contractors, and nearby enterprises. The key takeaways are summarized in the SIA report.

The scoping process reviewed potential human rights risks/impacts of the Project's construction and operation phases. Key salient risks identified via scoping include:

- Potential impacts to labor and working conditions for Project workers, including occupational health and safety;
- Potential impacts to workers' rights along the supply chain;
- Potential impacts to community safety associated with employment of security personnel;
- Potential inability of rightsholders to participate and/or access remedy; and
- Cumulative impacts which include: Potential impacts of industrial water use on communities' right to drinking water; Potential impacts of labor in-migration on the right to health and right to an adequate standard of living in the community

Scoping identified some non-salient potential risks, which were excluded from the assessment—largely due to the Project's nature, activities, and existing mitigation

measures. Excluded impacts/risks:

- **Potential risks to livelihood in relation to Project land use**

The Debrecen Government zoned the land for industrial use in the 2000s. During land acquisition, it provided compensation, transitional support, and in-kind compensation such as land-for-land exchanges to landowners and land users based on third-party appraisals, with no related complaints or litigation received. Therefore, the potential risk of the Project impacting the livelihoods of former landowners is unlikely to occur. Economic displacement due to temporal land access restrictions incurred by cables construction is assessed in the SIA report, with mitigation measures being proposed.

- **Potential risks to community health and safety in relation to noise, air emission, waste disposal, and wastewater discharge**

Considering the IPPC-EIA and environmental monitoring system in place, and additional mitigation measures proposed in the CESMP, it is deemed adequate to manage the human rights risks, thereby diminishing their prominence as a concern.

- **Potential risks to community safety in relation to Project traffic**

The Project HSE Plan has outlined driver and traffic safety rules within and outside of the construction site. In addition, Construction Environmental and Social Management Plan (CESMP) proposed a traffic accident preparedness and response plan involving potentially affected parties be developed and implemented. It is assessed as sufficiently effective in mitigating human rights risks, consequently reducing their significance as an issue of concern.

- **Potential Damage or Destruction to Known or Unknown Cultural Heritage sites and Values**

Multiple archaeological excavations have been completed in this area and its surrounding areas. Previous civil engineering works were carried out under

professional supervision and cultural heritage protection, resulting in an extremely low risk of damage to cultural heritage and insignificant impacts. Twelve archaeological sites have been identified along the planned route of the external cable construction and within the 200m buffer zone. Archaeological experts will conduct excavation and observation work, earthworks must be carried out under archaeological supervision, and any newly discovered cultural relics will be protected in accordance with local laws. Additionally, the construction contractor has entrusted the Déri Museum to station personnel on-site to supervise the archaeological work.

An overview of the results of the impact assessment is shown in Table 4-1. A brief description of each impact is given in the following sections. For the potential negative impacts, mitigation measures that can minimise these impacts have been identified.

**Table 4-1 Overview of impact assessment**

Impact	Phase	Rightsholders	Severity	Likelihood	Impact Rank
Impact to Labor and Working Conditions of the Project workers	Construction	Project workers	High	Likely	<b>Medium</b>
	Operation	Project workers	High	Likely	<b>Medium</b>
Impact to Labour’s Right along Supply Chain	Construction	Workers along Supply Chain	High	Likely	<b>Medium</b>
	Operation	Workers along Supply Chain	High	Likely	<b>Medium</b>
Impact to community safety associated with employment of security personnel	Construction	Surrounding villages	Medium	Unlikely	<b>Low</b>
	Operation	Surrounding villages	Medium	Unlikely	<b>Low</b>
Inability to Participate	Construction	Project workers	Medium	Unlikely	<b>Low</b>

Impact	Phase	Rightsholders	Severity	Likelihood	Impact Rank
and/or Access Remedy		Local communities	Medium	Unlikely	Low
	Operation	Project workers	Medium	Unlikely	Low
		Local communities	Medium	Unlikely	Low
Rights to drinking water associated with industrial water use	-	Local Communities	High	Unlikely	Medium
Rights to health and adequate standards of living associated with in-migration of labor.	-	Local Communities	High	Unlikely	Medium

#### 4.1 Potential Impacts to Labor and Working Conditions for Project Workers, including Occupational Health and Safety

While Hungary’s labor laws explicitly prohibit violations such as child labor and forced labor and include regulatory oversight, occasional local violations (e.g., incorrect working hour records) still occur. During the project’s construction phase, compliant working hour systems and employee accommodation improvements have been implemented, and these conditions will be maintained in the operation phase. Mitigation measures (including the parent company’s bilingual labor rights protection policies and regular safety inspections) have been adopted, but the health and safety management system for the operation phase remains under development.

The assessment concludes that without sufficient safeguards, the project may face human rights risks (e.g., child labor, forced labor—with higher risks for vulnerable groups like migrant workers, and occupational health and safety accidents) of “**High**” severity. Combined with potential labor rights issues identified in on-site inspections and gaps in mitigation measures in some areas, the likelihood of these risks occurring is assessed as “**Likely**”.

#### 4.2 Potential impacts to workers' rights along the supply chain

Some production regions of raw materials for electric vehicle batteries pose human rights risks such as forced labor and child labor. Although the EVEH project plans to source key raw materials from multiple regions including Australia and Indonesia and intends to prioritize local procurement, it has not yet formulated a formal local content plan, and the procurement management system and supporting procedures are still under development. Despite the fact that its parent company has formulated mitigation measures such as a supplier code of conduct and a due diligence management policy for responsible mineral supply chains that comply with OECD guidelines, and is advancing a sustainable supply chain management system, the assessment concludes that without adequate safeguards, the project's supply chain may face violations of workers' rights such as child labor and forced labor, as well as impacts on local communities near relevant enterprises. The severity level of such workers' rights violations is assessed as **"High"**, and given that the human rights management system for the mineral supply chain is not yet improved, the likelihood of occurrence is rated as **"Likely"**. in the absence of proper management and oversight.

#### 4.3 Potential impacts to community safety associated with employment of security personnel

There are no reported security-related human rights violations in Hungary, where private security is subject to comprehensive regulation (including personnel background checks and licensing requirements). EVEH has engaged a licensed security contractor that deploys 4 unarmed security personnel at the main gate to prevent unauthorized access to the site. No facial recognition systems or access card-enabled electric gates have been installed. The contractor has no conflict records and implements strict recruitment standards. The assessment concludes that the severity of potential related impacts is **"Medium"**, while the likelihood of occurrence is rated as **"Unlikely"**, taking into account Hungary's low incidence of security

personnel-related incidents and effective enforcement of existing regulatory requirements.

#### **4.4 Potential inability of Rightsholders to Participate and/or Access Remedy**

Hungarians can file complaints and seek remedies through the Ombudsman (without adverse consequences), though concerns have been raised regarding the Ombudsman's broad mandate and the adjustment of anti-discrimination responsibilities. EVEH has established a Stakeholder Engagement Plan (SEP), a community grievance mechanism (for external parties), and a Worker Management Plan incorporating a grievance mechanism for workers, with effective responses to the concerns of both Chinese and local employees. The assessment concludes that, relying on the project's grievance mechanisms and Hungary's Ombudsman system, the likelihood of rightsholders being unable to participate or access remedies is "Unlikely".

#### **4.5 Cumulative impacts**

The Hungarian government is vigorously promoting the construction of EV battery factories nationwide. Debrecen is developing 6 industrial parks (including the North-West Economic Zone) to attract EV investment, with multiple other development projects underway. EV battery projects in Debrecen, as well as in Göd, Komárom, and Ivánca, have faced concerns from local communities. The overlap of various projects poses potential risks of cumulative impacts. This includes:

- **Cumulative Impact of Industrial Water Use on Communities' Right to Drinking Water**

Industrial water use in Debrecen's industrial parks (e.g., SIP, North-Western Industrial Area) may significantly affect local residents' right to drinking water by straining water resources. The Debrecen Water Directorate has a water management plan (drilling new wells, restoring underperforming ones, using greywater). Debrecen Waterworks monitors water use; shortages trigger suspensions in the order: luxury →

industrial → agricultural → hospitals/communal services. The ZF plant is completed but idle due to water scarcity. EVEH plans to source two-thirds of its water from recycled supplies.

- **Cumulative Impact of Labor In-migration on Communities' Right to Health and Adequate Living Standards**

Labor in-migration may add pressure on local medical, housing and other infrastructure, raising risks of infectious diseases, illicit activities and gender-based violence. Local residents near the project are unfamiliar with foreign workers and do not favor them; Hungary's 2024 new Immigration Law restricts non-EEA/non-neighboring guest workers, capping numbers and jobs to encourage local hiring. EVEH prioritizes recruiting from surrounding communities via local agencies and partners with local schools/universities for talent development.

However, it should be noted that it is not EVEH's responsibility alone to manage the water availability and the labor in-migration on community health and safety.

## **5. Management of Human Risks and Impacts**

The impact assessment identified the need for additional management measures to address gaps in project policies and processes and/or mitigate human rights risks and impacts on rightsholders. Recommended measures are measures that can enhance positive impacts of the project or measures that can minimise negative impacts. Table 5-1 details the recommended implementation measures.

**Table 5-1 Proposed Human Rights Management Measures**

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
Impact to Labor and Working Conditions of the Project workers	Construction	Medium	<p><b><u>EVE (HQ):</u></b></p> <ul style="list-style-type: none"> <li>■ Labor Rights Protection Policy</li> <li>■ Whistleblower Policy</li> </ul> <p><b><u>EVEH:</u></b></p> <ul style="list-style-type: none"> <li>■ EHS Plan</li> <li>■ Information to Employee</li> </ul>	<ul style="list-style-type: none"> <li>■ Continue to operate in accordance with the Company Information to Employees.</li> <li>■ Finalize and implement the Worker Management Plan and the internal Grievance Mechanism</li> <li>■ Translate and customize the Labor Rights Protection Policy (2023), Occupational Health and Safety Management Policy (2023), Whistleblower Policy (2023), and Life-Saving Rules (2022) to the Hungarian context and ensure it is clearly communicated on site.</li> <li>■ To adhere to the Labor Rights Protection Policy, develop and implement human resource management procedures which should pay particular attention on:</li> </ul>

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
	Operation	Medium	<p><b><u>EVE (HQ):</u></b></p> <ul style="list-style-type: none"> <li>■ Labor Rights Protection Policy</li> <li>■ Whistleblower Policy</li> </ul> <p><b><u>EVEH:</u></b></p> <ul style="list-style-type: none"> <li>■ Information to Employee</li> </ul>	<ol style="list-style-type: none"> <li>1) prohibition of child labor and forced labor;</li> <li>2) strict adherence to working hours and maximum overtime work requirements in Hungary, including introducing an overtime work tracking system that could accurately monitor and record the overtime work completed by all employees and overtime compensation paid accordingly;</li> <li>3) non-discrimination and non-harassment;</li> <li>4) prohibition of any fees paid to labor agency from the workers; and</li> <li>5) prohibition of any disparate treatment between local workers and migrant workers, including but not limited to wage and benefits, working hours.</li> <li>6) The human resource management procedures should also introduce a monitoring system to periodically review any potential breaches of requirements listed in the management procedures. Possible measures include periodic check-in survey to employees.</li> </ol> <ul style="list-style-type: none"> <li>■ Ensure all workers (including those of contractors and subcontractors) on the Project site are provided with a written Employee Agreement/Contract (which is to outline wages, hours of work, entitlements, leave etc), in a language that is understood by workers.</li> </ul>

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
				<ul style="list-style-type: none"> <li data-bbox="1108 379 2049 699">■ Establish a Code of Conduct (CoC) for workers (which outlines worker’s rights and company expectations, as well as the internal grievance mechanism) in a language that is understood by workers, and ensure all workers are provided with the CoC in a language understood by them. The CoC should recognize and implement fair treatment, non-discrimination, non-harassment, and culturally appropriate behaviors during interactions with local communities.</li> <li data-bbox="1108 730 2049 1222">■ Establish a contractor management system that oversees the labor practices of all contractors onsite and cascade down the Project internal Grievance Mechanism, Project workers accommodation requirements, Project workforce CoC, EHS Plan, EVE policies to the contractor workers. Particular focus should be paid on prohibition of child labor and forced labor, voluntary overtime and excessive working hours and different treatment between Hungarian workers and migrant workers. The contractor management system should introduce a monitoring system to periodically review any potential breaches of contractor’s labor practice against the contractor management system requirements.</li> </ul>

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
Impacts to Workers' Occupational Health and Safety	Construction	Medium	<p><b><u>EVE (HQ):</u></b></p> <ul style="list-style-type: none"> <li>■ Labor Rights Protection Policy</li> <li>■ Occupational Health and Safety Management Policy</li> </ul> <p><b><u>EVEH:</u></b></p> <ul style="list-style-type: none"> <li>■ EHS Plan</li> </ul>	<ul style="list-style-type: none"> <li>■ Update and implement the Project EHS Plan which requires that:               <ol style="list-style-type: none"> <li>1) where accommodation is constructed by the Project or its constructors, the accommodation should be built to meet the EBRD/IFC Workers' Accommodation: Processes and Standards (2009). Where existing accommodation facilities are being used (e.g. hotels), the aim should be to meet the principles outlined in the EBRD/IFC Workers' Accommodation: Processes and Standards (2009);</li> <li>2) Ensure any information posted on the workers' accommodation notice board is in Chinese, English and Hungarian and any other languages that are culturally appropriate for residents in the workers' accommodation to understand.</li> <li>3) Provision of first-aid kits at sites.</li> <li>4) Monitor the contractor's performance against Project Health and Safety Plan and report any incidents by the contractor workers.</li> </ol> </li> </ul>
	Operation			

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
Impact to Labour’s Right along Supply Chain	Construction	Medium	<b><u>EVE (HQ):</u></b>	<ul style="list-style-type: none"> <li>■ Finalize and implement the sustainable supply chain management system</li> <li>■ Conduct supply chain mapping to understand the environmental and social context of suppliers and identify any potential environmental, social and human rights risks and/or impacts associated with. Based on the environmental and human rights risk profile of suppliers, high-risk suppliers can be flagged by considering inherent risk factors due to the industry type, operation location, workforce scale, number/proportion of indirectly employed workers, media coverage of relevant environmental and/or social issues. Onsite audits by internal experts and/or experienced third-party should be considered for high-risk suppliers before supplier approval. The findings of the audits should suggest any disqualifications of suppliers or a corrective action plan for suppliers.</li> <li>■ Monitor the human rights performance of the Project suppliers by means of for example regular (e.g., annually or every three years depending on the supplier audit score) check-in survey or onsite audit during tenure period and assess, mitigate or in the case of confirmation, remedy any human rights violation based on the survey results. Corresponding contractual agreements shall made with the suppliers in order to facilitate mitigate or remedy any potential or confirmed</li> </ul>
	Operation	Medium	<ul style="list-style-type: none"> <li>■ Responsible Mineral Resources Supply Chain Grievance Mechanism</li> <li>■ EVE supplier Code of Conduct (SCOC)</li> <li>■ EVE Due Diligence Management Policy for Responsible Mineral Supply Chain (RMSCP)</li> </ul>	

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
				human rights violation.
Impact to community safety associated with employment of security personnel	Construction	Low	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Develop a Security Personnel Code of Conduct which should adhere to <i>Voluntary Principles on Security and Human Rights</i>, including requirements on Use of Force, and cascade down the Security Personnel CoC to all Project security personnel.</li> <li>Engage with first responders, i.e., the local police who may be present onsite, to explain EVEH’s expectations for their response to any incident onsite or involving the site which should be in line with the <i>UN Code of Conduct for Law Enforcement Officials</i>, <i>UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials</i>, and <i>Voluntary Principles on Security and Human Rights</i>, particularly regarding the Use of Force.</li> <li>Socialize the Community Grievance Mechanism to the surrounding communities in case complaints were raised. This includes complaints relating to the engagement of security personnel.</li> </ul>
	Operation	Low		
Inability to Participate and/or Access Remedy	Construction	Low	<p><b><u>EVEH:</u></b></p> <ul style="list-style-type: none"> <li>Worker Management</li> </ul>	<ul style="list-style-type: none"> <li>Establish an engagement strategy for Project workforce, which outlines the frequency, forms, and engagement topics for different groups of employees, e.g.,</li> </ul>
	Operation	Low		

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
			Plan and internal Grievance Mechanism ■ Stakeholder Engagement Plan and Community Grievance Mechanism	expatriate employees, foreign employees, women employees, labor union and worker representatives, production workers, etc. to distribute information, understand their concerns and expectations at work and consult their opinions during decision-making processes. ■ Finalize and implement the Worker Management Plan and Internal Grievance Mechanism ■ Finalize and implement the Stakeholder Engagement Plan and Community Grievance Mechanism ■ Continue to monitor and evaluate the effectiveness of the Internal Grievance Mechanism and the Community Grievance Mechanism throughout the lifespan of the Project
Cumulative Impact: Rights to drinking water associated with industrial water use	-	Medium	None	■ Utilize greywater for production as planned during operation. ■ Engage with Debrecen Waterworks periodically to understand the water balance in the area and the likelihood of drinking water shortage during operation as well as concerns and complaints received by Debrecen Waterworks from water users. Seek collaboration with Debrecen Waterworks and other enterprises in the

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
				Northwest Economic Zone for possible strategies for water conservation.
Cumulative Impact: Rights to health and adequate standards of living associated with in-migration of labor	-	Medium	None	<ul style="list-style-type: none"> <li>■ Finalize and implement the community grievance mechanism</li> <li>■ Prioritize recruitment of local people as planned by using recruitment agencies and working with the labor offices of surrounding the villages and cities to share information on recruitment and procurement opportunities.</li> <li>■ Actively participate in local social programs for foreign employees for their integration into the local community.</li> <li>■ Collaborate with the Debrecen government to explore possible public transportation to the North-West Economic Zone for workers commute.</li> <li>■ Develop the Code of Conduct applicable to EVEH employees and contractors to include requirements on employees' interaction with the local community, and cascade the CoC to all contractor workers and subcontractor workers, which include:               <ol style="list-style-type: none"> <li>1) Strictly prohibit any forms of illicit activities and inhumane behaviors, including prostitution, sexual exploitation and abuse, sexual harassment, violence, threat during both working time and rest time.</li> </ol> </li> </ul>

Risks/Impacts	Phase	Impact Rank	Existing Management Measures	Recommended Additional Mitigation Measures
				2) Respect the way of lives of the local residents and avoid any disturb to their daily lives.